Daily Report

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Central American Presidents Sign Border Agreement; 'CA-4 Group' Established

PA0405193793 Guatemala City EL GRAFICO in Spanish 1 May 93 p 3

[Text] Central American [CA] borders will no longer be an obstacle for Central Americans with the implementation at 0000 on 1 May of an agreement signed by the presidents of those countries at a recent meeting in Nicaragua.

The Governments of Guatemala, El Salvador, and Honduras initially signed the agreement, and with Nicaragua's recent incorporation into the integration process, the CA-4 Group was established as of 1 May.

The agreement called for the creation of commissions to review the integration process. In that regard, Nicaragua has begun the information phase.

One of the main points in the agreement recommended reinforcing the borders between Guatemala and Mexico and between Nicaragua and Costa Rica to control merchandise entering the CA-4 Group.

Also effective 1 May is a tax compensation mechanism that will be implemented for merchandise transiting the Penas Blancas border post (Costa Rica and Nicaragua) destined for Guatemala. It was agreed that this merchandise will be taxed in Nicaragua. Merchandise from Mexico destined for Nicaragua will also pay taxes in Guatemala.

As for pedestrian traffic, it was established that Central Americans must fully identify themselves, and those driving vehicles must show the corresponding documents to cross borders without restrictions. With the implementation of these measures, Central America is heading toward integration.

Cuba

Robaina Remarks on Minrex, Culture Ministry Joint Effort

FL0405193293 Havana Radio Rebelde Network in Spanish 1700 GMT 4 May 93

[Text] A meeting described as useful and enriching is being held in the ceremonial hall of the Jose Marti National Library with the presence of Cuban Foreign Minister Roberto Robaina and Culture Minister Armando Hart Davalos.

Vice ministers, directors of cultural institutions, as well as many Cuban intellectuals are meeting in this ceremonial hall, where exactly 32 years ago Commander in Chief Fidel Castro made his historical plea: words to the intellectuals. Robaina discussed diverse topics during his opening address to the meeting, including the embargo; the defense of certain concepts, such as democracy, freedom, and human rights; the desire of the Ministry of Foreign Relations [Minrex] for all our missions abroad to perform cultural work with quality and from a new point of view; and the joint effort that will be conducted between the two ministries, in other words, Minrex and the Culture Ministry. During his speech, Robaina stated:

[Begin Robaina recording] I only want to tell you that this is what we want or have wanted to implement. I have an advantage; there is a very large group in Minrex that is highly qualified, prepared, and very willing to carry out this work. Maybe, to the surprise of many, just a few hours ago we decided at Minrex to eliminate the office of culture and information. We think that the cultural work that Minrex has to conduct cannot be achieved through an office. We cannot see a political tie, or political work in a country if we do not clearly understand what it is that we want to culturally achieve in that country. [end recording]

The meeting continues at this hour at the Jose Marti National Library with speeches by cultural officials and Minister Armando Hart.

Robaina Creates UN 50th Anniversary Preparatory Committee

FL0505021693 Havana Radio Rebelde Network in Spanish 2300 GMT 4 May 93

[Text] I am at the Museum Conservation and Restoration Center here in Habana Vieja, where a UN project is unfolding. Cuban Foreign Minister Roberto Robaina selected this place to create the National Preparatory Committee for the United Nations' 50th anniversary.

Robaina said that Cuba considers the principles and goals of the UN Charter as very important and that this 50th anniversary, which will be celebrated on 24 October 1995, is an opportunity for reflection by all the state members. The Cuban minister also insisted that this is a time that calls us to reflect on the role developed by the UN, to analyze accomplishments and limitations, and to find the most effective way to fully explore the UN's potential to assume new challenges, more specifically, those challenges whose origins indicate the serious socioeconomic problems that developing countries face.

A large number of accredited diplomats in Cuba attended this ceremony as well as several Cuban ministers, such as Higher Education Minister Fernando Vecino Alegret, Culture Minister Armando Hart Davalos, and Vilma Espin, president of the Cuban Women's Federation. Hector Rodriguez LLompart was also present.

German Scientists Helping To Install New Laser System

FL0505020493 Havana Radio Rebelde Network in Spanish 2300 GMT 4 May 93

[Text] An important event for Cuban science, particularly for geodynamic studies, is underway at the satellite tracking station, which operates in Santiago de Cuba and is the only one of its kind in all of the Caribbean. German and Cuban scientists are installing a new (?edeonimio jack) laser of the highest technical levels currently used in the world. It will allow 10 laser beams per second to be sent from the Santiago de Cuba station, extending its previous reach of 20,000 km. This will replace the telescope's old ruby laser which could only send a beam every six seconds.

In this manner, the satellite tracking system in Santiago de Cuba is gaining equipment that is more efficient and precise for measurements and also capable of functioning at the same rate as the largest stations in the world. This new laser is the result of close scientific-technical cooperation between the German Geodynamics Institute and the Satellite Tracking Station in Santiago de Cuba in a joint effort to use space for peaceful purposes.

In this sense, the equipment, donated by the German Institute to the Satellite Tracking Station, already totals $100,600. Among the equipment donated, there is, besides the laser, a high-speed computer capable of controlling all the operations of the telescope and other electronic measurement equipment of world class technology. The Cuban Satellite Tracking Station, located in Santiago de Cuba, participates in the International Earth's Rotation Service, the organization responsible for making the pertinent corrections, so that the world master atomic clocks keep exact time. The station also participates in studies of tectonic plate movement, of particular interest for Cuba in the prediction and effects of earthquakes.

Vice Health Minister Cites Optic Neuritis at World Health Assembly

FL0505003793 Havana Radio Rebelde Network in Spanish 2300 GMT 4 May 93

[Text] Cuba is urging the international community to cooperate in the scientific arena to fight the optic neuritis epidemic that was first detected in 1992. It is related

to toxic agents, vitamin deficiencies, and viruses. Cuba's position regarding this illness was expressed in Geneva by Vice Health Minister Jorge Antelo before the plenum of the 46th World Health Assembly where a resolution is being discussed calling for emergency aid in this regard. In a detailed address, the Cuban official stressed the concern of the Cuban Government and people regarding this epidemic that because of its severity, appearance, and propagation pattern is completely different from any other known in the extensive bibliography reviewed by Cuban scientists.

The Cuban Government, despite the critical economic situation the country is facing—intensified by the strengthening of the U.S. embargo toward the end of 1992 and the collapse of the USSR—has not skimped on resources and the means necessary to fight the illness, which has spread significantly during 1993. According to figures provided by Antelo, there were 25,959 cases as of 30 April. Of this, 19,820 were predominantly optic cases. Another 5,547 were peripheral and 301 presented other clinical forms. [figures as heard]

The head of the Cuban delegation described the results of the investigations conducted by specialists since the beginning of the outbreak in Pinar del Rio Province. The characteristics of optic neuritis, when first detected, were reduction or loss of sight and diminished color perception. The scientists described this as severe damage. According to Antelo, researchers looked for the causes in pesticides, alcohol and homemade beverages, and other toxic agents related to agriculture because most of the cases appeared in rural areas and among farmers. Polls conducted at that time were unable to correlate, however, any external factor to the appearance of the disease, and the prevailing thesis was that of nutritional tobacco etiologia, since 92.8 percent of the patients were smokers.

Vice Minister Antelo added that in the midst of the embargo and the loss of trade accords with the former USSR, in addition to recent atmospheric adversities, the Cuban Government has had to redouble its effort to acquire and build the equipment necessary to improve the diagnosis of this neuropatia and complete therapeutic studies. The Cuban official gave a detailed presentation during the discussion of sanitary development in a world in transition. Antelo affirmed that this issue causes sleepless nights and suffering among developing countries in which living standards are not endangered, but life itself is.

Group Concludes Preparations for Medical Fair in China

FL0505011293 Havana Radio Rebelde Network in Spanish 2300 GMT 4 May 93

[Text] A government delegation, which traveled to Beijing, concluded preparations for inaugurating a fair of Cuban medical equipment and products this month in central China. The Cuban part of the work group is headed by Pedro Alvarez, vice foreign trade minister [title as heard].

In the next few days, the delegation will travel to (Sheul), site of the medical equipment exhibition. The Cuban Medical Fair in China will display, among other products, the vaccine against hepatitis-B, interferon, and the embryonic growth factor.

FAR Officials Attend Demonstration on Organizing Exercises, Training

FL0405015793 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 4 May 93

[Text] A demonstration class was held at a study center in the western region as part of a meeting on analyzing how to implement new procedures for organizing exercises and training under special period conditions. The demonstration was attended by a group of high-level officials of the Revolutionary Armed Forces [FAR]. The class showcased the mastery achieved in defense preparation by the soldiers and sergeants of a large tank unit as well as the soldiers' level of readiness in relation to current tactical doctrine and the best use of resources and existing conditions at each command.

The results were positive in firing practice and conserving fuel, motor resources, and ammunition. It was clearly shown that higher efficiency can be obtained with fewer resources. The officials present were pleased with the organization of the classes and their results.

Havana City People's Councils Presidents Assess Work

FL0405205493 Havana Radio Reloj Network in Spanish 1952 GMT 4 May 93

[Text] The presidents of the Havana City People's Councils are carefully analyzing the experiences and work done in the two and half years of the council's existence. Ricardo Alarcon and Jaime Crombet, president and vice president of the National Assembly of the People's Government [ANPP] respectively, together with Jorge Lezcano, first secretary of the Communist Party of Cuba in Havana City, and Pedro Chavez, president of the provincial assembly, are heading the meeting.

The first topic analyzed was efforts made to centralize in a single area in each municipality the services to the population to save the people time. The mechanisms established for distributing food and controlling and guaranteeing those mechanisms so that the food reaches the people in perfect condition and with the correct weight will be extensively discussed in the meeting of the presidents of the Havana City People's Councils. The analysis of experiences continues.

Inter-Caribbean Affairs

Caricom Said Moving To Adopt Labor, Industrial Relations Declaration

FL0405171593 Bridgetown CANA in English 1649 GMT 4 May 93

[Report by Peter Richards]

[Text] Castries, St. Lucia, May 4, CANA—The 13-nation Caribbean Community (Caricom) is moving to adopt a declaration of labour and industrial relations principles.

A communique, issued here Tuesday at the end of a three-day meeting of Caricom labour ministers, said a working group had been established to come up with a draft of the declaration. The proposed declaration will guide member states and "other social partners in the conduct of industrial relations and the enactment of legislation," the communique said.

The working party, comprising public sector labour officials from Caricom member states and representatives of the Caribbean Employers Confederation (CEC) and the Caribbean Congress of Labour (CCL), also has been mandated by the ministers to develop harmonised model legislation for member states. The ministers also directed that Caricom and its sub-regional constituent, the Organisation of Eastern Caribbean States, collaborate in the development of labour legislation.

According to the communique, the labour ministers, in "a reaffirmation of (their) commitment to the principle of social partnership," agreed to grant observer status to both the CCL and CEC at future meetings of the standing committee of ministers responsible for labour.

The ministers discussed the planned restructuring of the International Labour Organisation (ILO) and expressed concern about this development which will result in the closure of the ILO's Barbados-based Caribbean labour administration centre. The meeting also discussed the changing global environment and the ministers agreed it was necessary for the region to increase productivity in order to compete in the new scenario.

The importance of small business development to the economies of the region was a factor emphasized during the meeting, the communique said, noting that the "ministers also agreed that member states should urge commercial banks and other financial institutions to be actively involved in small enterprise development."

Observers to the three-day meeting included Bermuda, the Dominican Republic, Mexico, the Netherlands Antilles, and Suriname.

Haiti

Senator Delpe on 'Brink of Finding a Solution' to Crisis

FL0405160793 Port-au-Prince Signal FM Radio in French 1030 GMT 4 May 93

[Recorded in Creole]

[Excerpts] [Reporter] We are on the brink of finding a solution to the crisis. This was a statement by Senator Turneb Delpe to a group of journalists on 3 May. Delpe, one of the three National Front for Change and Democracy [FNCD] spokesmen, acknowledged that the negotiations are moving through a difficult phase. The senator was referring to President Aristide's statement that he will follow the examples of Juan Carlos and Nelson Mandela and to General Cedras' letter to OAS Secretary General Baena Soares saying that the crisis is not far from being resolved. [passage omitted]

Sen. Delpe [words indistinct] coup d'etat misunderstood President Aristide's statement that he would grant amnesty to the coupists in the style of Toussaint Louverture. Delpe said that he agrees on the question of amnesty for the authors of the coup d'etat but that there must be social redress. Parliament should, therefore, vote a law on that, according to Delpe.

[Delpe] We in FNCD said the day after the crisis began that there must be amnesty for the crisis to be resolved. The amnesty does not preclude, however, social redress for the victims of the coup d'etat. I think it will be the responsibility of this parliament to prepare, after the crisis is resolved, a law to allow the victims of the coup d'etat to enjoy a minimum of social redress.

[Reporter] Sen. Delpe said the steps that Attorney Durocher Bertin is proposing for the trial of President Aristide are worthless, reflecting only the oligarchy's fear of losing the battle. [passage omitted]

The FNCD senator refused to comment on Prime Minister Bazin's latest speech in Jacmel. He said he cannot comment on the speech of a prime minister who has been dismissed by the Senate's constitutionalist bloc since 2 February. GB for Signal FM.

Jamaica

'Heavy' Rains Damage Roads, Agriculture

FL0405121393 Bonaire Trans World Radio in English 1100 GMT 4 May 93

[Text] Heavy rains in eastern Jamaica over the past five days have done an estimated $6 billion worth of damage to roads and the agriculture industry. Nearly 380 people were driven from their homes in Portland, the northeastern coastal town of Port Antonio, and several other villages. Relief supplies are being sent.

Trinidad and Tobago

State Appeal Against Jamaat al Muslimeen Leader Begins

FL0405231[illegible] in English 2236 GMT 4 [illegible]

[Text] Port-of-Spain, Trinidad, May 4, CANA—The hearing of an appeal by the state against a judgment releasing Yasin Abu Bakr, leader of the Jamaat al Muslimeen and 113 of his followers on charges arising out of the July 27, 1990 coup attempt began Tuesday in the

High Court. British Queens Counsel George Newman, appearing for the attorney general, began his arguments before a three-member appeal court, led by acting Chief Justice Sat Sharma and including senior Judges Mustapha Ibrahim and Roger Hamel Smith.

On June 30 last year Justice Clebert Brooks ordered that Abu Bakr and his followers be freed after almost two years in prison when he ruled in favour of the validity of an amnesty signed by acting President Emmanuel Carter. He also ordered that damages be paid to the members of the Jamaat al Muslimeen, with the amount to be determined by a judge in chambers.

Bakr and a band of insurgents from the Jamaat al Muslimeen stormed the Parliament chamber in the Red House and the headquarters of Trinidad and Tobago Television, holding then Prime Minister A.N.R. Robinson hostage along with 16 other cabinet members and parliamentarians and several journalists. The uprising ended August 1 when the insurgents surrendered and released the hostages.

Salinas Opens Regional Population, Development Conference

PA0405165093 Mexico City Canal 13 Television Azteca Network in Spanish 2300 GMT 4 May 93

[Report by Jaime Guerrero]

[Text] President Carlos Salinas de Gortari opened the regional Latin American and Caribbean Conference on Population and Development in this capital. The president stated that it is necessary to link economic policy to a firm and broad-based social policy. He said: We have seen that when women complete elementary school, they have less children. We have also noted and remain convinced that the best choice is the two-parent option.

On inaugurating the Latin American and Caribbean Conference on Population and Development, President Carlos Salinas de Gortari said that development in Latin America requires policies that ensure increased equality and justice. At the Los Pinos official residence, the president told ambassadors and representatives of the United Nations, the Economic Commission for Latin America, and nongovernmental organizations that development demands that we take care of the environment and maintain sustainable demographic levels.

[Begin Salinas recording] To be viable, development requires that we take care of the environment and maintain sustainable demographic levels. To be relevant, it requires policies that ensure greater equality and justice with the participation of the poorest sectors in collective benefits. [end recording]

The president added that there are no unique let alone unilateral formulas for attaining balanced development. He said, however, that without economic growth based on justice, there is no real possibility of progress.

For his part, government secretary Patrocinio Gonzalez Blanco-Garrido said the average growth rate of the world population is still too high. He said this has created a complex population picture worldwide. He added that it is the duty of governments to formulate and implement population policies.

[Begin Gonzalez recording] Since it is a matter of national interest, this formulation and implementation encompasses all social groups and sectors: political parties, the media, churches, labor unions, educational institutions, and, organized society as a whole. [end recording]

Agreement Reached With Japan on Establishing Economic Forum

OW0405113493 Tokyo KYODO in English 1024 GMT 4 May 93

[Text] Mexico City, May 4 KYODO—The foreign ministers of Japan and Mexico agreed Monday [3 May] to work toward establishing a North Pacific economic forum to reflect Japanese views in the North American Free Trade Agreement (NAFTA).

The agreement was reached between foreign ministers Kabun Muto and Fernando Solana Morales in response to Japanese calls to the United States, Mexico and Canada that NAFTA should not discriminate against third countries such as Japan, Japanese officials said.

Sources suggested that Mexico agreed to go along with the Japanese request for the creation of a special forum in order to encourage Japanese investment in Mexico.

Japanese Foreign Ministry officials said the North Pacific economic forum would be made up of government officials, business executives and scholars from the United States, Canada, Mexico and Japan.

Japan has already sounded out Canada about the proposed forum, but the Japanese officials said it is not clear how the U.S. would eventually respond to the idea.

Solana told Muto that NAFTA would go into effect next January as scheduled despite delays in the U.S. and Canada in ratifying the three-way treaty, the officials said.

Muto promised Solana he would relay Latin American opinions to leaders of the Group of Seven (G-7) major industrialized countries in Tokyo in July, they said, adding that Muto also agreed to help Mexico win membership in the Asia-Pacific Economic Cooperation (APEC) forum.

The two foreign ministers also agreed to facilitate the start of working-level talks on a bilateral tax treaty from this autumn.

After the meeting, Muto signed an agreement to dispatch Japan Overseas Cooperation Volunteers (JOCV) members to mexico, they said.

Japan also pledged up to 18 million yen in assistance to Mexico's national university to buy equipment for language education, they said.

Costa Rica

Calderon Delivers State of the Nation Address 1 May

PA0405185793 San Jose Radio Reloj in Spanish 2126 GMT 1 May 93

[State of the Nation address by President Rafael Angel Calderon Fournier from the Legislative Palace in San Jose—live]

[Text] [Passage indistinct]

Costa Ricans:

During the past few days, we have experienced unusual and painful situations [words indistinct] that are still painful. A few meters away [words indistinct] Costa Ricans suffered the nightmare of being kidnapped by their fellow citizens. The majority of our people have repudiated this action, which is considered inappropriate of Costa Ricans. Although you already know how the incident ended, our efforts are not over [passage indistinct] in conducting long-term actions [passage indistinct] the terrorists and drug traffickers.

My joint working plan involves the various government branches, political parties, schools, the church, and each Costa Rican family. The following are the priorities in this working plan: Rescuing the values of the Costa Rican family and society; continuing and intensifying the process of professionalizing [passage indistinct] social adjustment, approving [words indistinct] my government's commitment to continue doing everything within the possibilities of the Executive Branch in defending the honorable people's right to live safely and quietly in a peaceful country.

During the past three years we have worked hard to improve the working conditions [words indistinct] levels of efficiency and [words indistinct] public administration, and social adaptation systems. My government has [passage indistinct] citizen's security and justice and will continue those efforts during the remainder of my administration.

More than 70 percent of the government's [words indistinct] education and health services, social adaptation, and administration of justice. There is, however, still much to be done to have a modern, efficient, and effective police force to fight crime, as well as social adaptation systems that are consonant with our goals.

That is our task, which we will continue to try to accomplish with the support of this Legislative Assembly. That will not be enough, however, unless it is complemented with [words indistinct] measures in other fields, including reforms [passage indistinct] in that sense I hope, and I am certainly willing to begin a broad dialogue, that the necessary consensus and urgency may lead to the creation of a new legal arsenal tha. will provide society with instruments for its protection.

[Passage indistinct] During the first quarter of 1993, exports increased by 27 percent compared to the same period in 1992.

Costa Rica is becoming a tourism mecca. According to experts in the field, Costa Rica is one of the best tourism destinations in Latin America and in the world. The majority of tourists who visit us are wholesome people who come here to admire our natural environment and our achievements in the ecological sector. I am pleased to report that in 1992, the nation benefited from an unprecedent boom in tourism never before seen in our history. During this past year more than 610,000 tourist visited our nation, which represents a 20-percent increase over 1991. Their presence here has generated $121 million, which is a 26-percent increase over 1991. Therefore, in 1993 tourism will become the number one source of income for the nation and one of the main generators of new jobs.

The increase in imports is a natural consequence of an expanding economy. The size of the increase is reasonable if it is compared with the evolution of the exports and imports over the past six years. The imports have developed at a rhythm that reflect our accelerated growth and the reforms to our foreign trade policies. During the past year, the process of sustained gradual opening of our economy to the world economy was implemented. This was carried out through the reduction of tariffs on more than 8,000 products. The insertion of our economy into the international economy, as part of the economic reform, will be recalled as one of the main characteristics of our administration. This insertion and opening to the international economy has offered Costa Ricans a broad range of excellent quality products at more accessible prices. This has contributed to the increase in imports. There is no reason, however, to be alarmed by this growth. The increase, I repeat, is the logical result of an expanding economy. We have had a year of replacing inventories while purchases abroad allow us to modernize our productive apparatus.

Production has been stimulated by the reduction of interest rates on loans in December. The interest rates on farm loans were set at 10 percent less than those charged by banks in 1991 and between 1 and 3 percent less than charged by the bank in December 1989. In the industrial sector, interest rates were lowered by 10 percent with regard to the December 1991 rates and 2 percent with regard to the 1989 rates. In the construction sector, interest rates were reduced by 11 percent with regard to 1991 rates and 3 percent with regard to 1989 rates. In the housing sector, the interest rates were reduced by 12 percent with regard to 1991 rates and by 1 percent with regard to 1989 rates.

In summary, Costa Ricans who applied for loans benefited from a substantial reduction in the interest rates during 1992. This reduction favored economic reactivation and the creation of new job opportunities. The expansion of private credit has been the highest—35 percent, without creating inflation. The credit to the

public sector was decreased; therefore the total credit was maintained at the planned levels.

Deputies, in the past, growth took place by sacrificing stability or stability was generated by sacrificing growth. Nevertheless, this year has seen growth without sacrifice. Let us look at some of the examples of economic stability. The current level of net international reserves is without a doubt the highest in our history. In the past two years, Costa Rica has benefited from a capital repatriation process never before seen in our history. The return of capital is a vote of confidence for our economic system. During 1992, the total cash inflow was $555 million. The majority of these funds came from the private sector, whose amount totaled $525 million, which is the highest in our nation's economic history.

The debts acquired by the public sector only amounted to $29.8 million, one of the lowest figures in the past decades. Productive investments in the country rose approximately 20 percent, basically on the part of the private sector because we had greater financial resources. Net foreign investment also increased at a rapid pace, all of which helped to increase imports, production, job opportunities, and wages.

Within this context, by the end of the year the net international reserves of the Costa Rican Central Bank grew by $160 million. Net international reserves in the hands of the Costa Rican Central Bank amounted to $1.064 billion, which represents a 15-percent increase compared to the reserves level in 1991 and 125 percent compared to reserves level of December 1990. Stability in the exchange rate points to a progressively smaller inflation rate and a more pronounced reduction in the cost of living.

Thanks to this administration's financial modernization policy, we have succeeded in deregulating and stabilizing the exchange rate. As a matter of fact, the behavior of the exchange rate of the colon with respect to the U.S. dollar was very stable in 1992. The indicator showed a nominal devaluation of less than 2 percent all through that year. The low devaluation rate helped reduce the pressures on the cost of living. The annual inflation rate, calculated based on data of the past six months, has gone down to 8.6 percent, which allows us to say we will meet our goal of bringing the inflation rate down to less than 12 percent in 1993.

As president, I am reporting on the major progress our country has made to improve public finances. At the start of my administration, we inherited a projected deficit in the public sector of 7.5 percent of the gross domestic product. This factor was chiefly to blame for the high inflation rates and devaluations during 1990 and 1991. We lowered the deficit to 2 percent at the end of 1991. It went down to 1 percent at the end of 1992, the lowest level in the past 15 years.

We can now affirm and announce to the whole country that after the books for 1992 closed, the public sector's fiscal deficit totaled (?1.0), which has been made possible thanks to the effort by all the people, the responsibility of this Legislative Assembly, and the major efforts the Finance Ministry has been conducting to curb spending. In addition, this ministry succeeded, thanks to its efficient work in collecting the highest amount of revenues in 1992, the year that tariffs, sales taxes, and consumption taxes were lowered, and import surcharges were eliminated.

We now have a country that has less debt than three years ago. In the past three years, the foreign debt burden has diminished. According to figures by the Economic Commission for Latin America, the relation between the total foreign debt that was disbursed and the exports of goods and services decreased from 245 percent in 1989 to 184 percent in 1991 and to 161 percent in 1992. This means the total foreign debt that has been disbursed is getting smaller all the time related to the total sum represented by the exports of goods and services.

If we measure the servicing of the foreign debt in terms of the relation of the interests earned from export revenues, we see the servicing has dropped from 23.6 percent in 1989 to 9.9 in 1991 and to 7.9 percent in 1992. In sum, Costa Rica at the end of 1992 is one of the countries with the lowest foreign debts in all of Latin America. This fact gives us maneuvering room to receive new loans earmarked for development in the months to come, loans that in turn boost growth and stress on social programs.

Year after year, Costa Rica is winning the battle over inflation and the high cost of living. For 1993 and 1994 Costa Rica will have inflation rates under 12 percent. The rates of inflation during my administration-....[pauses] our administration was to a great extent due to negative inheritances, particularly by the deterioration in public finances I referred to a few minutes ago. In about the middle of our administration, the economic reform has started to translate into a decline in the inflation rate. This rate was reduced from 27.3 percent in 1990 to 25.3 percent in 1991 and to 16.9 percent in 1992. This decrease in the inflation rate can already be felt by a marked reduction in the cost of living. According to Central Bank and Treasury Ministry estimates, the 1993 inflation rate will be under 12 percent. The inflation rates in this administration's second phase are the direct result of our economic policies, in the same way that a moderate rise will characterize the first months of the following administration; that is, the coming administration will inherit a nation with the necessary conditions for low inflation during the first months of the coming government.

The significant economic growth that results from stability is translating into specific benefits for our compatriots with lower incomes. This year, Costa Rica has taken a step forward in the battle against poverty and extreme poverty. All my life has been dedicated to championing causes that favor social justice, which is why I am pleased with the outcome of the polls taken in 1992. The population of poor families in Costa Rica w-

reduced from 24.4 percent to 22.2 percent, which represents a 10 percent reduction in poverty. Meanwhile, 50,000 families who in 1991 were placed at the poverty level are now above the poverty line; that is, 50,000 families are no longer poor. At the same time, the percentage of the population that lived in extreme poverty was reduced from 13.8 percent in 1991 to 11.2 percent in 1992, which represents a 19 percent reduction.

If we take into account the significant economic growth and the decline in inflation that took place during the second half of 1992, I am certain that one of these figures would appear even more favorable. Nevertheless, what pleases me the most is to see through facts and through statistics that poverty and extreme poverty are on the decline in our country. We can state that during last year Costa Rica took a step forward in the struggle against poverty and extreme poverty. This tendency is being reinforced during the first part of this year.

We are particularly pleased to confirm through facts and figures that poverty and extreme poverty are receding in our country. We can say that in 1992 Costa Rica made significant progress in the struggle against poverty and extreme poverty and that this has continued in 1993.

I must stress that in 1992 Costa Rica experienced economic growth of 7.3 percent, one of the highest in the world. At the same time, the gross national product per capita increased 4.9 percent, the highest increase since 1978. There is also an improvement in the distribution of wealth. According to Labor Ministry statistics, a worker's average purchasing power has increased approximately 3 percent from the second half of 1989 through the second half of 1992.

In addition, based on Central Bank figures, the purchasing power of the minimum wage has increased an average of 6.1 percent between May 1990 and January 1993.

We can say that during the past year Costa Ricans not only produced more efficiently but also managed to distribute income more equitably. The gap between rich and poor is being reduced.

At the same time, Costa Ricans have invested a larger percentage of national income in savings. According to Central Bank statistics, the percentage of available income reserved as savings increased from 10.38 percent in 1982 to 16.41 percent in 1989 and 21 percent in 1992. The increase in savings favors investments, growth, and the creation of new jobs.

A week ago, Enrique Iglesias, president of the Inter-American Development Bank, IDB, recognized the soundness of the national economy with the following words, quote: We are very pleased with the evolution of the Costa Rican economy and the indicators it offers along with the expansion of its economy. Structures are being modernized, permitting sustained growth and long-term prospects, unquote. As Costa Ricans, we are proud of this recognition.

Costa Rica is widely respected in international financial organizations. A new agreement with the IMF will be implemented in December 1993. Negotiations with the World Bank and the IDB have ended satisfactorily for the continuation of the Structural Adjustment Program, PAE. This program provides funds to support the modernization of our productive system, for the recapitalization of the Costa Rican Central Bank, training of human resources and financing of social projects.

Following a difficult struggle, the IDB recently approved our loans. The prosperity being experienced by the national economy is the product of economic reforms that were drafted with the generous and patriotic contribution of this honorable Assembly. Through the approval of the law eliminating tax abatements, the public works laws, and the law democratizing Development Corporation, Inc. [Codesa] branches, this Legislative Assembly has contributed to our economic recovery.

History cannot be stopped, however. This government intends to be responsible during its four year term, which is why we call on the distinguished deputies to continue with modernizing the financial system during this new legislative period. I respectfully call on you to discuss, enrich, and approve the Third Structural Adjustment Program, PAE-3. Both the financial reforms and the PAE-3 are of national interest. They consolidate the process of change and modernization experienced by the country and they favor the successful operation of the next administration.

Deputies, the country's economic reforms have allowed us to free resources that are now being used for social programs. Thanks to them, Costa Rica continues to be in the vanguard of social development in Latin America.

I am pleased to report that according to the latest figures provided by the Economic Commission for Latin America, Costa Rica has one of the highest social investment rates in the entire American Continent. All the figures on the evolution of the economy and, especially, the social sector allow us to forecast a greater increase of the social investment rates in 1993, especially in the areas of health, housing, and education.

In 1992, we built 24,587 houses with a cost exceeding 23 billion colones. It is the highest house construction figure in Costa Rican history. Of this number of houses, 15,798 houses were built by granting free bonds. This number is also the highest in the country's history. From 1990 to date, more than 70,000 houses were built. We must explain that in granting the housing bonds, there has been a clear preference for lower income families and for families living in rural areas. Families in the lowest-income bracket received 49 percent of the bond proceeds. Sixty-two percent of the bonds were granted to rural families. Achievements in the area of housing during the past few years allow us to guarantee Costa

Ricans that we will reach the goal of building 100,000 new homes during our administration.

The Agrarian Development Institute has been issuing land titles to benefit peasants. By April 1993, we had turned over a total of 21,518 land titles deeds. This administration, therefore, will be able to reach its goal of granting a total of 25,000 land title deeds.

The latest report released by the UN Program for Development classifies Costa Rica as a country with a high human development rate. This UN publication places us in the same category as countries like Japan, Canada, and Norway.

The Costa Rican social security system continues to be one of the most solid in Latin America and the world. Proof of this is that we were mentioned by international organizations as a model country regarding life expectancy at birth and low mortality rates. Thanks to the higher education and health awareness of the large majority of our people, we are also the first Latin American country to win the war against cholera. Costa Rica has the life expectancy rate of a developed country: 75 years, the second highest in Latin America.

According to the Planning and Economic Policy Ministry, between 1985 and 1992, infant mortality rates were reduced from 17.7 deaths per every 1,000 citizens in 1985 to 13.8 per every 1,000 citizens in 1991, and 13.2 per every 1,000 citizens in 1992. In the last few years there has been a 4.5-percent reduction in the infant mortality rates.

The country's 1992 infant mortality rate is similar to that of more developed countries. Both the rates for life expectancy at birth as well as infant mortality rates show Costa Rica's commitment to health and social security. That commitment has been growing since we began paying the government's debts to the Costa Rican social security system. We gave the social security system 9.5 billion colones a week ago. We will subsequently deliver 3.5 billion colones in equipment, and the rest will be delivered throughout the year by means of bonds at market rates, which means the government's debt to the Costa Rican social security system will be completely paid off this year.

The best way to demonstrate our pledge to the country's health and for the 50 years of existence of the Costa Rican social security system is to pay off the debts that the state had incurred with our health and social security institution.

I am pleased to announce some of the achievements of the Costa Rican educational system. More Costa Ricans are registering in our educational centers. In 1992, 60,667 Costa Ricans joined our primary schools, which is more than the 59,486 who had enrolled in 1991. That figure is substantially higher than the 50,428 who had registered in 1989. Likewise, 471,000 Costa Ricans registered in our high schools in 1992, which is substantially more than the 422,000 who had enrolled in 1989. Over 177,000 Costa Ricans joined our colleges and vocational schools in 1992. That figure is significantly higher than in previous years. All these numbers show a significant increase in the number of school registrations over the last few years. School enrollment rates have been increasing over the past four years. For example, school enrollment rates in high schools increased from 102.1 percent in 1989 to 104 percent in 1991, and even 106.6 percent in 1992 [figures as heard].

School enrollment rates increased in colleges and vocational schools, going from 49.4 percent in 1989 to 52 percent in 1991 and 55.1 percent in 1992.

Each year we have more schools. Each year we have built a larger number of schools. As a result, the number of new primary and secondary schools has increased from 44 new schools in 1990, 69 in 1991, 68 in 1992, to 86 in 1993. In addition, 564 preschools have been built in the past three years. Thanks to these achievements, Costa Rica maintains an adult literacy rate of 92.8 percent, one of the highest among the developing countries.

Of course, we are not completely satisfied with our achievements, which is why in the year that has concluded and with the help of the honorable Legislative Assembly a program to improve the quality of education has begun to be implemented. It is especially directed at the rural and urban areas with the highest levels of poverty. This program has a cost of $61 million, financed with resources from the World Bank, the Inter-American Development Bank, and Costa Ricans. This program will be implemented in the next five years. It includes such areas as professional development, adjustment of the curriculum, educational evaluation, educational computer technology, infrastructure, and strengthening of institutions.

As for higher education, we have strictly respected university autonomy, providing higher education with the necessary resources for its normal operation. Last year was characterized by the cordial and harmonious relations between the state universities and the Executive Branch.

Aware that the Costa Ricans' right to security, safety, and peace must be protected by the state with special emphasis, my administration has carried out great efforts in the area of security for citizens. On 29 October, I signed the decree creating the National Drug Directorate. On 1 December 1992, I received the first national plan for the struggle against drug trafficking. It is the first time Costa Rica has a specific plan to direct its efforts in the prevention, repression, and punishment of drug trafficking and the rehabilitation of the youths who are victims of drugs.

One of the tasks that has taken the most time and resources in the past three years has been the improvement of the employment conditions, equipment, and training of the public force. Some specific figures show the effort that has been made. We have increased by 226 percent the number of vehicles to be used to provide

security to citizens. We went from 170 to 555 vehicles during this administration. In this same period, the equipment for police communications increased from 180 to 557. The training hours for each policeman went from 224 to 705 hours, an increase of 314 percent. In less than 24 months, the salary of a corporal in the Public Force went from 18,650 to 33,550 colones, a 179 percent increase. [figures as heard] These figures are positive but they should not lead us to make the serious mistake of believing that we have completed our task. On the contrary, the efforts to provide the Public Force with the means to deal with the citizens' security and to face the challenges of criminals must be continued by this and future administrations.

Messrs. Deputies: During the past months, Costa Rica has been shaken by the kidnappings that have caused anguish, grief, and concern throughout the entire country. These events show the magnitude of the challenge all Costa Ricans must face, regardless of political banners or any other distinctions. I repeat: Common criminals, terrorists, and drug traffickers do not respect borders as a result of the internationalization of communications, the sophistication of criminal organizations, and the huge amounts of money controlled by criminals, especially money coming from drug trafficking.

The phenomenon of criminality is complex and cannot be reduced to the analysis of only one of its factors. Police action is one component within the strategy to fight crime. Nevertheless, it is not the only one and it is not always the most effective. Therefore, I come today to reiterate my administration's commitment to continue doing everything within the Executive Branch's means to improve the efficiency of the police corps and all agencies of the Executive Branch that are involved in this struggle.

During the past three years, we have increased the budget allocations for security. The draft of the extraordinary budget that I will send to the Legislative Assembly soon includes, among others, the appropriations for the creation of 11 district police stations for San Jose and for new communications equipment for the Public Force throughout the country.

The Executive Branch is committed to this effort but its actions have constitutional limitations. I repeat: We must forge a strong national unity that will be expressed in this Legislative Assembly to permit the passage of bills that are already in the Assembly and others that will be presented by the Executive Branch and deputies soon. I reiterate my initial request of asking for the support and understanding of the deputies for the approval of the bills on the police statute, the regulation of telephone tapping, reform of the drug law, reform of the immigration law, control of assets that are the result of drug-trafficking activities, the law to control precursor chemicals for the production of drugs, the law for the implementation of sentences, and reform of the criminal procedures code. I ask for the support of this Assembly because we cannot tie the hands of our police corps and courts of justice in the struggle against criminals who do not have any scruples and who feel that their detestable activities will go unpunished.

When I was a child, my parents taught me deep respect for all human beings. They especially taught me deep respect for the human beings who suffer the most. That is why, at the same time that I promoted the changes that favor economic modernization, I maintained my commitment to reduce to a minimum the suffering that those measures might cause to Costa Ricans with lower incomes. I am happy to confirm today that the economic reform not only permitted us to maintain the social equality indexes of which Costa Rica is proud, but it has permitted us to free more resources to be used for programs that benefit those who have the least.

On ending the third year of my administration, I can confirm that social interest programs have been strengthened. I am happy to report that with the help of the Inter-American Development Bank, under the presidency of Enrique Iglesias, we began the application in Costa Rica of a vast program of social reform, concentrated in the areas of health, education, social security, and housing.

With the participation of various sectors of the country, we have prepared the bill on unemployment assistance. It is an initiative stemming from the way of life of Costa Ricans and their desire for consensus solutions that favor economic democratization. I am happy to see a positive response by the great majority of Costa Ricans to this concrete proposal for social equality. I hope that this bill will have been approved when I conclude my presidential term. We will give the workers participation in the profits of companies and access to the ownership of shares. I respectfully urge this honorable assembly to analyze, discuss, and improve this initiative.

Regarding the bill to reform Constitutional Article 124, which was approved by this assembly in the first reading, the Executive Branch expresses its support for such an important and timely reform of our Constitution, which will further modernize the functioning of this Legislative Assembly.

I have briefly addressed some of the main achievements of the economic reforms. He who sows, shall reap. Costa Rica has sown. Costa Rica is now reaping. Today, thanks to the support of all Costa Ricans and this honorable assembly, we are harvesting the first fruits of a new age of prosperity. Costa Rica is experiencing an economic bonanza. Costa Rica is an example of social equality. The new era of prosperity is here and we are on the right path. We must continue to move forward, facing new challenges, enjoying new opportunities, and climbing new mountains.

The option should not be to go back, as some have suggested. The alternative we have is to help those who have been kept back; encourage them; give them the resources they need to catch up with their countrymen, who are marching ahead. We must continue to offer less

fortunate Costa Ricans programs that will allow them to help themselves We must continue to teach them how to fish, while supporting the families of those who are just beginning to learn how to take care of themselves. It is better to offer social aid directly to the most needy, before it becomes entangled in bureaucratic institutions. We cannot go back. We must not go back. We cannot and must not go back to the past. We cannot and must not go back to obsolete development programs that will condemn us to isolation, backwardness, and poverty. These models featured state giantism and over-protected economies. They have missed the train of history, not only in Costa Rica but world wide. Despite what those nostalgic for the past might say, the alternative is to continue sowing and reaping for the present and the future.

The economic reforms must continue. The state reforms must continue. The human development and social equality levels must be protected and continue to be improved. Costa Rica must continue to follow the path of dialogue, negotiation, and national agreement. The alternative is not to return to a world that has already died. The idea is to move forward toward a world that is blossoming. The alternative is to continue to pave the way for Costa Rica to move into the 21st century and the first world, toward development with social equality and development in harmony with nature. The alternative is to humanize the path to that blossoming world, a world where our children and our children's children are awaiting us with a smile of happiness. May God bless them. May God bless us. Thank you. [applause]

El Salvador

'Agitators' Take Over Market 3 May; Public Works Union Workers Strike

PA0505012193 San Salvador EL DIARIO DE HOY in Spanish 4 May 93 p 3

[Text] A group of Farabundo Marti National Liberation Front agitators took over the Sacred Heart Market on the morning of 3 May and interrupted all business activities. In addition, union members began a strike at the Public Works Ministry in what the authorities described as "intensified left-wing street agitation."

Public Works Minister Engineer Raul Castaneda and Deputy Minister Roberto Bara reported that the strike outbreak was "politically" motivated. They made these comments while they were surrounded by dozens of employees inside the Ministry building.

The agitators, who are members of the so-called Public Ministry Workers Association [Asociacion de Trabajadores del Ministerio de Obras Publicas—ATMOP], on the morning on 3 May took over the offices located on 1st Avenue South and restricted the movement of administrative personnel who did not support the strike

"This strike is motivated by political interests, not labor interests," the minister said.

Meanwhile, San Salvador Mayor Armando Calderon Sol stated at a news conference that the disorder caused by those who took over the streets near the Sacred Heart Market began on the morning on 2 May when a small group of unidentified people provoked the municipal police and urged the vendors to again take over the downtown streets of San Salvador.

On the morning on 3 May the agitators took up positions at the market entrance and denied access to vendors, as well as the entry of hundreds of shoppers. The agitators placed barriers at 1st Avenue South, 4th Street West, and 3d Avenue South, which blocked traffic.

Dr. Calderon Sol said he would request cooperation from the central government to guarantee the vendors their right to work.

The mayor insisted on talking with the occupiers, otherwise he would seek police assistance to dislodge the agitators. He added that a small group of people cannot be allowed to paralyze the work of hundreds of vendors.

Calderon Sol said that the intent of the agitators was to damage his Nationalist Republican Alliance presidential candidacy, but they instead harmed the small vendors.

The main agitators mentioned the name of Hiliberto Dominguez, who is the same person who tried to manipulate the street vendors to refuse to move out of the city streets to cleanup and renovate downtown San Salvador.

The agitators added that Dominguez is one of the principal persons charged with the death of a municipal police officer during the latest incidents in downtown San Salvador.

On another occasion, this same individual, with other agitators, forcibly opened the municipal office doors and broke the windshields of several vehicles.

Meanwhile, vendors near the Sacred Heart Market requested that the authorities intervene to dislodge the agitators and thus allow them to work in peace.

At about 0900, the market occupiers gave a news conference but denied the entry of the EL DIARIO DE HOY reporter.

A group of women vendors asked that their pictures not be taken out of fear of subversive elements. They had already requested the authorities to intervene.

Armed Forces Issue Order on Appointments

PA0505030593 San Salvador EL DIARIO DE HOY in Spanish 4 May 93 p 2

[Text] An Armed Forces order established changes that became effective on 1 May that affect military brigades in San Miguel Department; El Paraiso, Chalatenango Department; and three military detachments. Colonel Nelson Ivan Lopez y Lopez, commander of the 3d Infantry Brigade based in San Miguel, was relieved and replaced by Col. Samuel Dolores Cuellar.

Col. Oscar Leon Linares, commander of the 4th Infantry Brigade based in El Paraiso, Chalatenango Department, was also relieved and replaced by Col. Nicolas Hernandez Quintanilla.

Lieutenant Col. Ricardo Arango Macay has been appointed commander of Military Detachment No. 4, based in San Francisco Gotera, Morazan Department; Lt. Col. Feliz Ranulfo Ramirez has been appointed to Military Detachment No. 5, based in Cojutepeque, Cuscatlan Department; and Col. Elbemore Amaya Mejia has been appointed to Military Detachment No. 2, based in Sensuntepeque, Cabanas Department.

Military sources have reported that there are other changes in the middle command and there will be others in addition to those listed in the order, which will circulate in th next few days. It was insisted that the most important order will be the one dated 30 June, which will include changes in the top leadership of the Defense Ministry, the General Staff, and in other brigades. Defense Ministry sources explained that these changes are due to the scheduled restructuring within the Armed Forces.

Guatemala

Human Rights Center Reports Increase in Human Rights Violations

PA0405160593 Guatemala City EL GRAFICO in Spanish 1 May 93 p 12

[Text] The Center for Human Rights Investigation, Study, and Promotion, Cieprodh, has reported an increase in "human rights violations, especially civil and political rights, and particularly the right to life in the first quarter of 1993. [no end quotation mark as published]

Cieprodh, which monitors cases of human rights violations, said in that period there were "16 cases of violations of individuals' basic rights and freedoms with an increase recorded each month: 49 cases in January, 52 in February, and 66 in March." [figures as received]

"The greatest increase was in extrajudicial executions, a total of 56, followed by death threats (35) and attacks (29)."

According to Cieprodh, "cases of human rights violations continue to occur without any sign, so far, of substantive changes designed to improve the endemic situation."

Nicaragua

Deputy Presidency Minister Discusses Talks With UNO

PA0405133093 Managua Radio Nicaragua Network in Spanish 1805 GMT 3 May 93

[News Conference by Deputy Presidency Minister Jose Adan Guerra with unidentified foreign and local reporters at the Presidency in Managua—live; broadcast in progress]

[Text] [Guerra] ....approximately three hours with the president, some cabinet members, representatives of the 10 parties of the National Opposition Union [UNO]. We engaged in a very frank and positive manner, as I said earlier, in a series of discussions on certain topics that will continue to be broached at subsequent meetings. We could say that the national dialogue began on 3 May with the UNO. The talks will continue this afternoon with the permanent workers congress and on 4, 5, and 6 May the agenda that was published in the media will be followed. If you have any question, I will gladly answer it.

[Reporter] [question indistinct].
[Guerra] The government received a letter sent by the UNO. It will study the nine points that will be discussed at a subsequent meeting.

[Reporter] [question indistinct].
[Guerra] This has been a meeting with the UNO in the first place. Later there will be other meetings with the UNO, as will occur on 3 April [as heard] with labor unions, associations, and political organizations, to conclude specifically with the Sandinist National Liberation Front. This does not mean that the dialogue is closed or that the meetings have ended. It is precisely the opening of the meeting. I paraphrase Dr. Virgilio Godoy who said: Today we have progressed far in our relations with the government in the sense of creating a climate of security and confidence that will lead to a great national agreement.

[Reporter] Won't these parallel dialogues, one with the UNO and another with the other sectors of the country, have an unfavorable effect? Shouldn't the national dialogue be preceded by a dialogue between the government and the UNO?
[Guerra] The government is not going to stop talking with all the sectors. The government will hold meetings afterward. I understand that President Violeta Chamorro promised to announce this coming week the date of the meeting to be held with the UNO to discuss topics on which the government and UNO share views.

[Reporter] Does this mean, Mr. Guerra, that since there is going to be another meeting with the UNO, the government tacitly accepted the nine points submitted on 3 May by the UNO?
[Guerra] No, what I said at the outset is that the government is going to study the nine points of the UNO letter. We also intend to speak to the different sectors

which will voice their views regarding national problems in order to reach points of agreement. The government is completely open to having a national consensus to resolve the problems affecting us.

[Reporter] [question indistinct]
[Guerra] I don't know if you read the letter. I have it here, if you like I can read it to you. The letter that was delivered on 3 May talks about mechanisms of verification and guarantees of human rights, of constitutional amendments, of the restructuring of the state powers, the Armed Forces, the electoral platform, and of the economic, social, and political reconstruction. These are the points mentioned in the letter that was brought on 3 May by the UNO. I don't think there will be any difference compared to some points raised by labor, political, and social organizations.

[Reporter] Dr. Guerra, the UNO members have announced that they will hold another meeting this coming week to reach a political agreement between the UNO and the government. Can you confirm or deny this report?
[Guerra] I recall that President Violeta Chamorro said she would announce the date of the meeting this coming week. We do not want to stretch things too far. I think that Nicaragua's problems deserve all our attention and all our time. At no time do I recall Violeta ever saying that she would meet with them last week. She said she would advise them. Obviously, it will be at the soonest opportunity, according to an agenda. The president possibly may leave the country at the beginning of this coming week.

[Reporter] The UNO established that the discussion of agriculture topics is urgent. Did it set a time limit on the dialogue?
[Guerra] We are in the month of May. I don't know why the farming cycle and production are going to stop just because the country's political problems are being solved. I think the farming cycle will continue and will not end. I see no sense in halting the farming cycle, just because the government and the UNO are not engaged in dialogue.

[Reporter] Dr. Guerra, the UNO said that to begin the dialogue, it requested the approval of three witnesses, including Pedro Joaquin Chamorro Barrios, Cardinal Obando y Bravo, and Juan Antonio Cuadra. What was the outcome?
[Guerra] Officially, we have not received any request by the UNO to that effect.

[Reporter] [words indistinct] that is being carried out.
[Guerra] One of these points of the first meeting is to try to establish the mechanisms. That is specifically one of the points requested by the UNO and surely other organizations as well. In other words, we will try to establish mechanisms to generate confidence and security, so that the meetings will have a positive outcome. That is what we are doing. We are trying to establish the mechanisms. Who establishes the mechanisms? If the government establishes them unilaterally, it will be accused of imposing its will. What we seek initially is to have a lofty spirit of consensus among the parties.

[Reporter] Dr. Wilfredo Navarro stated publicly that this was a show for exportation. What is your opinion on that?
[Guerra] I would say that I respect Dr. Wilfredo Navarro's statement. I recall what his fellow party member Dr. Godoy said. He said that for him this had been a great step forward.

[Reporter] [words indistinct] on 5 May to sign an agreement with the sectors which will be engaged in the talks during these three days?
[Guerra] What we will do is consider the points, the topics on which we share views. Obviously, we will analyze those topics at a cabinet meeting on the afternoon of 6 May. This is the beginning of a national dialogue. We have not exhausted the meetings. What we seek to do is to place the interests of the fatherland, the interests of all Nicaraguans above any vested or party interests.

[Reporter] When will this be?
[Guerra] I can't say right now, but the public will be advised. The government wants to show it is on the level and to keep the people informed on what the various groups are doing at different meetings with the government. The people will be informed of this.

[Reporter] With all the existing differences, how was the dialogue held today?
[Guerra] I want to tell you that we held a frank, cordial, and sincere meeting.

[Reporter] Is an agenda going to be drafted for future meetings?
[Guerra] As I said before, the points will be discussed with the government. Forums and meetings will be held to follow up on them.

[Reporter] Mr. Guerra, is the Atlantic coast also included in the dialogue?
[Guerra] President Chamorro has not excluded any group from the dialogue. She has said that all groups are included.

[Reporter] Dr. Mirna [word indistinct] said that the Atlantic coast has not been included because it has particular problems. She said that the possibility was being considered of declaring it an emergency zone for the coming rainy season.
[Guerra] President Chamorro has received different requests, different petitions from representative sectors of the people. We are open to engaging in dialogue with all representative sectors of the Nicaraguan people.

[Reporter] Does this include the Nicaraguan Resistance [RN]?
[Guerra] Yes, it also includes the RN.

Panama

Endara Remarks on Indian Land Dispute, Port Activities

PA0405173893 Panama City Radio KW Continente in Spanish 1200 GMT 4 May 93

[Text] After the ad hoc commission appointed by the Legislative Assembly to review the situation of Indians and settlers in Alto Bayano approved in first debate the creation of the Madugandi Indian Territory, President Guillermo Endara told Radio KW Continente that the Indians have a right to keep their land.

[Begin recording] [Endara] This is a difficult situation between two groups of Panamanians: the Indians and the so-called Latin settlers. I believe the Indians have a right to their land, which they have kept very well. On the other hand, we must also find solutions for the settlers. The Indians acted inappropriately when they abducted the governor. Fortunately, I believe a solution will soon be found.

[Unidentified reporter] What solutions would the president of the Republic offer to resolve this problem?
[Endara] We will assure Indians that they will not be evicted from their land and that their land will not be occupied. At the same time, we must relocate settlers in areas the government has in Alto Bayano. The land can be distributed through the agrarian reform.

[Reporter] Do you agree with the creation of the Madugandi Indian Territory?
[Endara] Regardless of what it is called, Indian territory or delimited area, Indians should have land where they feel protected from settlers. [end recording]

President Endara also referred to his recent meeting with government officials responsible for ports and airports in the country.

[Begin recording] [Endara] Regarding ports and airports, for months we have been receiving complaints about the lack of coordination between government institutions; in other words, between Customs and Civil Aeronautics, Customs and the Port Authority, the Police, the Judicial Technical Police, and other government agencies. According to the Constitution, the president must coordinate those activities. On 1 May I held a long meeting with the heads of all those government institutions as well as with the finance minister. We agreed to hold these meetings regularly. I appointed Bolivar Pariente as my representative in a commission that will coordinate those activities permanently.

[Reporter] What is the purpose of this commission?
[Endara] It will coordinate all port-related activities. There have been complaints of lack of coordination between the various agencies involved. There should be coordination.

[Reporter] You recently met with the State Security Council. What conclusions were reached at that meeting?
[Endara] We discussed security matters that cannot be divulged.

[Reporter] What can you tell us about the terrorist attack in Boquete?
[Endara] The incident is being investigated. The investigation continues, and I believe we will be able to announce the results soon. The investigation is not over yet.

[Reporter] Are there any suspects?
[Endara] Yes, there have always been suspects, but I believe we will have something more specific soon. [end recording]

Agents Arrested in Operation 'Bocas del Toro Without Drugs'

PA0405224593 Panama City Telemetro Television Network in Spanish 1730 GMT 4 May 93

[Report by Francilino Diaz from Bocas del Toro Province—recorded]

[Text] [Diaz] Operation "Bocas del Toro Without Drugs" has resulted in the arrest of National Police, Judicial Technical Police [PTJ], and Customs Directorate agents.

Expectations are high in Bocas del Toro Province over the investigation being conducted by the Legislative Assembly Drug Affairs Commission, led by Legislator Leo Gonzalez. The Commission, which on 4 May met in Chiriqui Grande, will travel on 5 May to Changuinola.

Operation "Bocas del Toro Without Drugs" has so far resulted in the arrest of several officials, including members of the National Police, PTJ, and the Customs Directorate.

It is expected that other persons will be arrested in connection with this operation, regardless of their political affiliation. Legislator Gonzalez is here with us and he will report on the progress of the investigation being conducted in Bocas del Toro Province.

[Gonzalez] Our Commission is meeting here in Chiriqui Grande. We are listening to the information provided by the people. Public and confidential statements are being made. We have listened to all information and we will continue the investigations later.

At this time, we are just listening to the people's statements. We hope that the same thing will happen when we get to Changuinola. Prosecutor Esquivel, currently the person being asked the most questions, will be there.

[Diaz] Some individuals critical of the government have said that the investigation conducted so far has been influenced by political parties. The Commission reported that those responsible should be tried, regardless of who is involved or his party affiliation.

Bolivia

Government Offers Reward for Information on Ex-Dictator Garcia

PY0405025893 La Paz Television Nacional Network in Spanish 0000 GMT 4 May 93

[Report by Wilfrido Rico from the Interior Ministry]

[Text] With the purpose of soon finding former dictator Luis Garcia Meza, the government has released an official communique offering 1 million bolivianos to whomever provides information about him. A state of emergency has been declared in the National Police and in all its organizations, the general command, staff, department commands, and advisory organizations, to arrest Luis Garcia Meza.

[Begin Interior Under Secretary Marco Antonio Oviedo recording] The government is offering 1 million bolivianos for the arrest of General Luis Garcia Meza, who is at large, and whose sentence has been issued by the Supreme Court of Justice. This reward will be given to whomever gives information leading to the arrest of Luis Garcia Meza. [end recording]

Oviedo then said he will soon hold a meeting with Interpol directors to verify whether Garcia Meza left the country or whether he remains in Bolivian territory.

Plane Found in Santa Rosa del Sara Linked to Medellin Cartel

PY0505004593 Santa Cruz EL MUNDO in Spanish 29 Apr 93 p 13

[Excerpt] The light plane that crashed in Santa Rosa del Sara is linked to the Colombian "Medellin Cartel." It had been stolen in Brazil and was to have collected drugs in Bolivia and take them to Colombia. This information is based on investigations by agents of the Special Antinarcotics Force.

During a news conference, Colonel Jairo Sanabria, the Santa Cruz narcotics director, explained that the Brazilian plane, manufactured by Embraer [Brazilian Aeronautics Company] is owned by the Penacchi food manufacturing company of Curitiba, Brazil.

The plane's real registration number is PT-VCH, it is a model 1986, it is twin engined, and it is valued at approximately $1 million. The plane was stolen by "plane hijackers" from the company's hangar.

The exact date of the theft is not known because the company has not yet contacted the Narcotics Department. It is believed, however, that it was stolen a few days before it crashed on 7 April in Santa Rosa del Sara, 120 km north of our department, due to propeller failure.

Blood stains were found in the plane. According to people in Santa Rosa the blood is that one of the "plane hijackers" or an employee of the company who was kidnapped and later murdered.

The head of the "plane hijackers" is Herland Roca Pena, who is considered the "right hand man" of Colombian Celimo Andrade Quinteros, alias Danilo. He is the top man of the "Medellin Cartel" in Bolivia and is currently being held at the Chonchocoro jail in La Paz. [passage omitted]

Brazil

Franco Recovering, Orders Study on Eliminating Separatist Movements

PY0405172193 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 4 May 93

[Text] President Itamar Franco has ordered Justice Minister Mauricio Correia to study what measures the government can implement to eliminate the separatist movements that are surfacing throughout the country.

President Franco also told Minister Correia to ask Rede Globo television station for a copy of the documentary aired during the Fantastico program on 2 May related to this subject.

Minister Correia stated that whoever preaches separatism in Brazil violates the Constitution.

[Begin relay] [unidentified reporter] Was the president annoyed when he heard about the subject?
[Correia] He was not annoyed; he was sad to see that there are Brazilian citizens making this kind of proposal at a moment such as the one we are experiencing, such whimsical and unconstitutional proposals as the ones made by the movement that has appeared in the south. [end relay]

President Franco continues to recover from a viral disease and inflammation of the gums and will not go to Planalto Palace today. Like yesterday he will remain at home, where he will receive some ministers and some of his closest aides.

Franco will only go to Rio de Janeiro and Sao Paulo this week if he improves. If not, the two scheduled trips will be canceled.

Franco Denies Expressing Doubts Regarding 'Eliseu Resende Plan'

PY0405132793 Sao Paulo FOLHA DE SAO PAULO in Portuguese 2 May 93 Section 1 p 9

[Text] President Itamar Franco has released a note through his press adviser in which he denies having expressed any doubt regarding the effectiveness of the so-called Eliseu Resende Plan. The note refers to the article published by FOLHA DE SAO PAULO on 1 May, which stated that Franco is not convinced of the inadequacy of implementing direct control over prices to reduce inflation.

FOLHA learned from some ministers that the president was not satisfied with the plan because it had no concrete measures to reduce inflation and that, although cautioned by his economic advisers against it, he still thinks about controlling prices as a way to fight the high inflation rates.

In the note, Franco says he is "perplexed about FOLHA DE SAO PAULO's frivolity in attributing to me opinions and concepts that I have never shared with anyone." He also states that he "would not send his finance minister abroad to defend ideas with which he did not agree."

Before the program was released, President Franco asked Finance Minister Eliseu Resende to adopt shock measures. Because Resende did not agree to that, the president demanded that the reduction of interest rates at least be included in the economic plan as a way of fighting inflation.

Talking to the ministers after the plan was released, Franco again complained about the plan's lack of measures seeking to reduce inflation. Despite his complaints, the president decided to wait 90 days to see if the plan yields positive results. If it does not, he will demand that shock measures be implemented.

Final Plebiscite Vote Count Released

PY0405154293 Sao Paulo FOLHA DE SAO PAULO in Portuguese 28 Apr 93 Section 1 p 10

[Article by Marcelo Mendonca and Claudio Garon]

[Text] The abstention of voters in northern Brazil in the plebiscite to pick the form and system of government amounted to 47 percent, the highest in the country. A fourth of the electors (25.8 percent) throughout the country abstained. Nevertheless, it is a smaller number than those who abstained in the 1963 plebiscite, when 33.8 percent failed to cast their vote.

The TSE (Superior Electoral Court) yesterday disclosed the final nationwide results of the plebiscite. A total of 67,010,241, out of 90,256,629 voters, participated in the plebiscite.

Including the plebiscite results in Para and Amazonas, the last states to complete their vote returns, a total of 44,266,433 (66.1 percent) voted for a republic and 6,843,159 (10.2 percent) for a monarchy.

A presidential government system obtained 37,156,674 (55.5 percent) votes and parliamentarism 16,518,029 (24.7 percent) votes. In 1963 the presidential government system obtained 77 percent of the votes while parliamentarism had 16.9 percent.

As for the form of government, 8,869,797 percent of the votes were void and 7,030,852 were blank ballots. For the government system there were 9,868,334 void votes and 3,467,204 blank ballots.

The number of abstentions throughout the country drops as one goes from north to south on the Brazilian map, toward the most developed areas. In northeastern Brazil the number of abstentions was 39.6 percent; in the center-western region, 31.8 percent—in the Federal District, which was taken into account separately, the number amounted to 16 percent; in southern Brazil, 18.2 percent; and in the southeastern region, the wealthiest, 16.7 percent.

The difficulties in counting the votes in Para and Amazonas State also explain why this region was the leading area of abstentions. Long distances and transportation difficulties kept people from exercising their right to vote in the north.

Alagoas State had the highest percentage of void and blank votes for the form (33.1 percent) as well as for the system (29.7 percent) of government. Amapa had the lowest percentage both for form (14.6 percent) and system (10.6 percent) of government.

In Sao Paulo the number of void and blank votes amounted to 22.9 percent for form of government and 19.8 percent for system of government. In Rio de Janeiro this percentage was lower: 19.9 percent and 16.5 percent, respectively.

Rio de Janeiro State is the one most in favor of a monarchy (13.1 percent) followed by Sao Paulo (12.8 percent). Piaui was the state least interested in a monarchy (5.1 percent).

Amapa is the state most interested in a republic with 76.1 percent votes, followed by Rio Grande do Sul with 74.8 percent.

Sao Paulo is the state most in favor of parliamentarism (34.5 percent), followed by the Federal District (30.6 percent). Maranhao was the state most in favor of presidentialism (71.5 percent), followed by Roraima (69.1 percent).

Poll Views Citizens Opinion of Politicians, Ministers

PY0405203793

[Editorial Report] Sao Paulo FOLHA DE SAO PAULO in Portuguese on 1 May carries, on page 4 of Section 1, a 600-word article by Clovis Rossi on a poll by the Brazilian Public Opinion and Statistics Institute. The article says: "Some 2,000 people were polled throughout Brazil between 14 and 19 April," adding: "Of those polled, 88 percent believe politicians only want to solve their own problems, 93 percent believe politicians only want to be reelected, and 92 percent believe politicians get rich through their activities." The article adds that according to the poll, "some 30 percent of those polled believe that ministers are totally dishonest."

U.S. Citizen Linked to Nigerian Connection Arrested

PY0405165493 Rio de Janeiro Rede Globo Television in Portuguese 2300 GMT 28 Apr 93

[Text] The arrest of one of the most wanted drug traffickers in the world has led Federal Police to new discoveries about the Nigerian connection. Donald Koehl was the head of drug trafficking in Brazil. He was shipping cocaine inside frozen fish.

[Begin recording] [Unidentified reporter] U.S. citizen Donald Koehl was arrested in his house, a property worth about $1 million in Sao Conrado, which is a sophisticated district in Rio de Janeiro. Koehl has been identified by Interpol as the right-hand man of one of the U.S. drug traffickers most wanted by U.S. police. He is William Elswick, who is also known as Captain America. He was sentenced in 25 proceedings for trafficking more than 5 tonnes of drugs. He escaped from a U.S. federal prison. The last time he was arrested he also was living in Rio de Janeiro in the same district of Sao Conrado. Captain America was released by Brazilian justice and then disappeared. Donald Koehl then took over the business. His passports prove it. He has made several trips to Nigeria, Africa, which is the newest drug trafficking route to Europe. Two years ago he closed his fishing company in Rio Grande do Norte, which was used for laundering money from drug trafficking and exporting fish with cocaine inside. Currently, he is the owner of a shipping company that may be linked to the Nigerian connection. On the night of 27 April, four more Nigerians were arrested in Rio de Janeiro when they were trying to leave with 10 kg of cocaine. [end recording]

Chile

Copper Workers Federation Characterize Strike as 'Total Success'

PY0405233893 Santiago Radio Chilena Network in Spanish 1100 GMT 4 May 93

[Text] Copper Workers Federation [FTC] president Raimundo Espinoza has characterized the strike at all Codelco [Copper Corporation] divisions as a total success.

[Begin Espinoza recording] The FTC considers the strike a success. The strike was 100 percent successful at the Chuquicamata, El Teniente, El Salvador, and Central [word indistinct] divisions. Andina had problems with rain and snow and so workers were sent home. The general situation shows that we had overwhelming support from union leaders and workers. [end recording]

The FTC president said that the strike should make Codelco ponder and the government realize that copper workers are serious and want to sit down and talk in a serious and responsible manner. Espinoza said workers no longer want a dialogue with the deaf like in the past. Espinoza added that problems can be resolved if there is willingness and trust in the workers. Regrettably, the company does not believe that the workers can save Codelco, transforming it into a more efficient company, Espinoza said. Managers only think about selling the company to outsiders and dismissing the workers but the workers will not accept that, Espinoza said, adding that they will now wait for the government to call them to start serious talks because they are ready for a dialogue seeking to solve the problem.

The FTC made clear that the strike was not in demand of better salaries or against the government. Among the reasons for the mobilization are the defense of jobs, the rejection of the policy of mass dismissal of copper workers, total opposition to the ideological and unilateral position to privatize parts of the company, and a demand for the government to release the funds necessary to ensure a quick exploitation of new areas.

Codelco delivered an official communique on the mobilization ordered by the FTC. The communique states that the Andina Division did not join the strike and the Talleres Rancagua division operated as usual the entire day. The document says that El Salvador and Tocopilla divisions operated as usual, except for some isolated incidents in some sections which forced a partial stoppage during the first shift. In Chuquicamata some labor leaders blocked the entrances with their cars, preventing the entry of half the labor force on the first shift for 20 minutes. The document adds that later the same labor leaders blocked the exit of some trucks. Codelco said that in EL Teniente workers at the Colon and (Sude) plants were 25 minutes late starting the first shift. The company deeply regrets the attitude of labor leaders resorting to force to prevent workers from arriving at work on time. The document concludes by saying that Codelco still prefers the dialogue to reach agreements that benefit the entire company, its workers, and the country.

Colombia

President: Ruling on Reducing Sentences Weakens Prosecutor's Office

PA0505041693 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 5 May 93

[Text] The decision by the Constitutional Court ruling it unconstitutional to reduce sentences or hold negotiations with people who cooperate with the justice system is a serious blow to the Prosecutor General's Office, according to President Cesar Gaviria.

[Begin Gaviria recording] I would say that the ruling weakens the Prosecutor General's Office as an institution. We still do not know if the court ruling prevents the Congress of the Republic from returning these powers to the Prosecutor General's Office in the future. We do not know if the measure was adopted because of the state of internal disturbance. We hope the decisions that are being made will only affect future cases so that the

processes currently being conducted by the Prosecutor General's Office may be completed. We are waiting to see if the Constitutional Court ruling will eventually allow the Congress to strengthen the Prosecutor General's Office. [end recording]

Constitutional Court President Interviewed

PA0405231693 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 4 May 93

[Telephone interview with Constitutional Court President Hernando Herrera Vergara by Dario Arizmendi in Santa Fe de Bogota—live]

[Text] [Arizmendi] Constitutional Court President Hernando Herrera Vergara, with Fabio Moron Diaz and Eduardo Cifuentes Munoz, voted against the Constitutional Court's majority decision to rule without effect Internal Commotion Decree 264 of 1993, which deals with the authority of the Prosecutor General's Office in cases dealing with people who were allowed to collaborate with justice in exchange for a pardon or reduction in their sentences. We will present both points of view on Caracol. Justice Hernando Herrera Vergara, president of the court, good morning, sir. Why did you vote against the ruling?
[Herrera] Good morning, Dario. I would say that I, with Justices Moron Diaz and Eduardo Cifuentes, believe that by abstaining we are saying the government's policy has yielded positive results in justice administration. We believe that in times of disturbance the government has the right to adopt certain measures, as it in fact did, to grant benefits to those who collaborate with the justice process, as long as a judge has the authority to make the final decision. We share the opinion, as is stated in the Constitution, that the prosecutor general does not have the constitutional authority to establish the negotiations. The negotiations would lead to legal proceedings that would necessarily have to be subject later to the decision reached in the negotiation between the prosecutor general and the criminal.

[Arizmendi] From a practical point of view, given that this is a legal and final decision, what are the consequences of this action by the Constitutional Court regarding the government's plan for criminals surrendering to justice?
[Herrera] I believe the consequences are, first, according to the ruling issued by the court, the prosecutor general loses the power to rule on a given case. That is, for the negotiations he may carry out regarding crimes described in the internal disturbance decrees to be binding, they must meet the provisions of Article 37 of the Penal Code, which states that the defendant and the prosecutor general may agree on a plea to present to the court. They must present this plea agreement in the case record. So you see that not all justice submittal instruments have been lost. The prosecutor general is right in stating that there are other benefits in the penal law that remain in full effect.

[Arizmendi] With all due respect, Justice Herrera, if this was an legal instrument that was producing positive results, should it not be ratified?
[Herrera] I think the magistrate's opinion should be ratified, as the court has decided that the prosecutor general did not have sufficient authority. It found that granting a total or partial reduction in penalty was in fact a form of pardon, which only the Congress, with a majority vote, or the government, in the case of political crimes, can grant. This, of course, is in accordance with the law. This is actually a matter of opinion. I, as the president of the court, must report that the majority has handed down a ruling that all Colombians must obey. The magistrates' reasoning was very wise, as is fully explained in the communique issued by the court. This decision is more wise when the court stated that the government cannot alter the basic functions used to file charges and try criminals, not even in times of internal disturbance. The majority of the magistrates agree that the decree grants powers that do not really belong to the prosecutor general, but to the judges of the Republic.

[Arizmendi] Mr. President of the Constitutional Court, the communique you have quoted states the following: This ruling will only be effective in the future. This means that the benefits that have already been granted will be maintained, ongoing negotiations can be concluded, and those who have surrendered to justice to take advantage of the decree before the issuance of this ruling will be entitled to receive such benefits, provided that they comply with the outlined requisites. This is in keeping with the principle of favorability [favorabilidad] of criminal law, which the Constitution establishes.

Let us examine the case of a criminal or a person who wants to cooperate with justice and who is at this time not being held by authorities, a person who wants to take advantage of the aforementioned decrees starting on 5 May. What will be applicable to that person according to this court's ruling?
[Herrera] I would tell that person that the part that you just read was fully and unanimously accepted by the court. Regarding the court ruling's future effects, the person who wishes to provide information to the prosecutor or the person he designates, can do so under Article 37 of the Penal Procedural Code. In other words, in the future the prosecutor will be unable to begin negotiations [words indistinct] as if it was a ruling. Instead, he should propose that in case the prosecutor and the accused reach an agreement on the circumstances of the punishable action, they can declare it to the appropriate judge, after establishing the agreement in writing during a hearing. The judge will ultimately decide whether or not he accepts a sentence reduction, as established by the Penal Procedural Code.

[Arizmendi] Dr. Herrera, it appears to common citizens that the government's action in the guerrilla and drug trafficking struggles are being undermined. First the war tax [bonos de guerra] was eliminated and now sentence reduction is eliminated. Is there a coincidence between these two incidents?

[Herrera] No. I think that the criteria that led to the ruling on the war tax clearly established that the Constitution prohibits the creation of retroactive taxes. All magistrates of the Constitutional Court voted unanimously against this tax. In this case, it is a matter of opinion and there has been a majority opinion according to the statements made during the vote.

I believe, however, this is the duty of the Constitutional Court, namely to safeguard the integrity of the Constitution. I think that the court's decision—although I at this point may perhaps vote and not share the majority's decision—and the votes cast by magistrates are not aimed at undermining the government's policies. Rather, the magistrate's votes are aimed at bringing the government's decisions in line with the Constitution.

As a matter of fact, the court has accepted many internal disturbance decrees. During the week of 25 April, the court declared an extension of the state of internal disturbance in line with the Constitution. Many other decrees have been declared legal by the court. The Penal Procedural Code that was [words indistinct] was declared [words indistinct], which is also part of the policy of submitting to justice. This is clear evidence that the court's objective is only to preserve the integrity and preservation of the Constitution.

[Unidentified reporter] Dr. Hernando Herrera Vergara, you have been very gentle with Caracol's audience while explaining why you voted against this Constitutional Court's majority ruling—three votes against three—on the decrees to reduce sentences to those who cooperate with justice.

Hernando Herrera has explained, however, that all elements of the policies of surrendering to justice have not been lost. The ability of the Prosecutor's Office to negotiate with those who cooperate with justice, as well as to present that negotiation or agreement for approval to the appropriate judge, still exist.

Deputy Prosecutor General Interviewed

PA0505044493 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 4 May 93

[Interview with Deputy Prosecutor General Francisco Jose Sintura by Dario Arismendi and other unidentified reporters in Santa Fe de Bogota—live]

[Excerpts] [Arismendi] You look very calm, much too calm, considering the ruling by the Constitutional Court. How does the Prosecutor General's Office view the ruling?
[Sintura] As stated on 3 May, the Office of the Prosecutor General is compelled to abide by the ruling of the Constitutional Court. It will not argue with it, although there may be some reasons for not sharing the majority decision. We abide by it, however, as it abides by all court rulings.

[Arismendi] What are its implications from a practical point of view? Many people may mistakenly think this is the end of the policy whereby the government asked criminals to surrender to justice in exchange for a reduction in their sentences.
[Sintura] It is true that in the wake of the ruling canceling the validity of Decree 264, the Office of the Prosecutor General has lost major instruments in its struggle against organized crime and terrorism. It does not mean, however, all the instruments of the aforementioned policy were canceled. That assessment does not correspond to the facts. The instruments the Office of the Prosecutor General can use right now to dismantle drug trafficking organizations are also contained in other laws. Other laws and the entire Penal Procedural Code give us other instruments. The policy on surrendering to justice and decrees issued by the government since 1990 also contain other instruments.

As the chief justice of the Constitutional Court has just stated, Article 37 of the Penal Procedural Code on completing a trial to an anticipated conclusion also contains other instruments. Summarizing, we have lost major instruments or elements to combat those criminal organizations, but others are still in force.

[Reporter] According to a communique by the Constitutional Court, it seems there is no other way to offer the possibility of reducing sentences. This cannot be done through legislation, based on the court's explanation.
[Sintura] It is worth mentioning here that we have not read the full text of the ruling. According to the court's communique, one can deduce that remark is a [word indistinct]. That means, any kind of reduction in the sentence involves a pardon, and pardons can only be granted for political crimes and cannot cover common crimes.

[Arismendi] I will ask two questions. On 3 May, the media carried a letter allegedly sent by drug lord Pablo Escobar, dated 29 April, to the Office of the Prosecutor General. It was handwritten, with his fingerprints and signature. The final paragraph of that communique stated: I am still ready to surrender if I receive written and public guarantees. This way the Office of the Prosecutor General will have no need to use false witnesses, as it happened in the case of the murder of Liberal candidate Luis Carlos Galan.

This is the first part of the question. What is the reaction of the Office of the Prosecutor General regarding Pablo Escobar's offer to surrender, again, to justice, if there are written guarantees?
[Sintura] Pablo Escobar is free to have an opinion or demand conditions, if he feels that is the way to submit to justice. The Office of the Prosecutor General, however, has repeatedly stated it will not accept any kind of conditions for Escobar's surrender. It has also said the decision to surrender is his. The Office of the Prosecutor General is ready to enforce the instruments that can be employed for any person who surrenders to justice. It is worth mentioning here that the Constitutional Court did

not issue a ruling on this point. I would also like to reiterate that the Office of the Prosecutor General does not accept any kind of conditions.

[Arismendi] He is asking for more than conditions, he is asking for guarantees. One gets the impression a discussion was held previously with Escobar's lawyers or some previous contacts were made that allowed him to say those things that way.
[Sintura] As everybody knows, those talks took place, but his representatives have not brought up any topic in approximately one month.

[Arismendi] Does the Office of the Prosecutor General know why those talks you mentioned were suspended?
[Sintura] We understand this happened because of the persecution that was unleashed against the lawyers of some people linked to the so-called Medellin Cartel.

[Arismendi] I am returning to the second part of the same question. According to that communique, let us suppose Escobar decides the correct guarantees exist for him to surrender to justice. What happens in the face of the Constitutional Court ruling? What benefits can he receive? How he can negotiate his sentence, in accordance with Article 37?
[Sintura] He can appeal to the decrees on surrendering to justice that are in force and have been issued by the government since 1990. I refer to Decrees 30-30 and 303 of 1991, which modified original Decree 20-47 of 1990. The provisions contained therein allow a reduction of sentences if the criminal confesses, cooperates with justice, or hands over properties. In addition, there is the aforementioned Article 37, through which we can establish an agreed upon sentence with the accused and his representatives.

[Arismendi] At any rate, a judge would have the final word on this last proposition.

[Reporter] Dr. Francisco Jose Sintura, what is the difference in sentences if Escobar surrendered prior to the Constitutional Court ruling and if he surrendered now?
[Sintura] One of the consequences of the Constitutional Court's ruling is that, with this instrument, Decree 264, the prosecutor has more freedom to determine the benefits stipulated in this decree. These benefits range from the simple elimination of a criminal record to complete immunity for a person under investigation and trial. This freedom was lost. Some benefits that the court understood were applied only by the judges, were also lost. Without mentioning a specific instance, this is a general consequence for all legal proceedings.

[Arismendi] Back to the terms that Escobar set forth in his letter, what problem would there be in putting in writing things—he said written guarantees—that are already written in the law? In other words, certain guarantees have already been provided for a person who surrenders. Is it possible to tell the person these are the guarantees that you are requesting?
[Sintura] It would first be necessary to determine the written guarantees Escobar has requested. Next, if these guarantees are already in the law, I do not see what why they are needed. Public officials agree on something because they are ordered to do so by the law.

[Reporter] I suppose not being transferred to another prison could not be put in writing.
[Sintura] Not being transferred to another prison is a decision of the prison authorities because such a transfer could be necessary at any time as the result of illegal or criminal acts committed in the prison. This is the responsibility of the prison authorities. [passage omitted]

[Reporter] What comes after the Constitutional Court's decision?
[Sintura] The application of the legal instruments in force and stipulated in Article 37 of the Penal Procedural Code determine the possibilities of devising some other instruments to assist in the policy of submission to the administration of justice.

[Reporter] It was said last year that some of the hearings of the Ochoa brothers would be held in January. Has any new date been set?
[Sintura] The regional justice who handles the matter has not yet set a date. The Prosecutor General's Office is prepared to file charges and demand the corresponding sentence.

[Reporter] Approximately how many criminals succeeded in taking advantage of Decree 264 of 1993, declared inapplicable by the Constitutional Court?
[Sintura] It would be necessary to give two types of figures. Some complied with the entire process, others have not. The former are three or four, but approximately 35 have benefited from the procedure.

[Reporter] As the result of the court's ruling, will the radio and television commercials offering rewards for criminals be suspended?
[Sintura] This is the responsibility of the National Police, not the Prosecutor General's Office.

[Reporter] Can it can be inferred, however, that the court ruling also covers this type of publicity?
[Sintura] I do not think so, because the jurisdiction of the Supreme Court of Justice is limited to the applicability of the decree presented for consideration. [passage omitted]

Paraguay

Supreme Court Rejects Request To Postpone Elections

PY0405145893 Asuncion Radio Nanduti in Spanish 1407 GMT 4 May 93

[Interview with Supreme Court Judge Cristobal Sanchez by unidentified Radio Nanduti reporter, monitored in progress; place not given—live]

[Text] [Sanchez] We have rejected the request for unconstitutionality.

[Reporter] Why?
[Sanchez] Because the court has concluded that no constitutional norm in this regard has been violated.

[Reporter] What about the request for unconstitutionality?
[Sanchez] The request itself was flatly rejected [preceding two words in Latin—in limine], therefore, any other possible requests are not applicable.

[Reporter] This is what we have to report, Humberto [Rubin, Radio Nanduti director]. Do you want to ask Cristobal Sanchez, member of the court hearing this case, a brief question?
[Rubin] Does this mean the request will not be heard by another court. Is this decision definite?

[Sanchez] The decision is definite, Mr. Rubin.

[Rubin] We all were expecting this decision. May I, modestly, congratulate you. We are very happy.

[Sanchez] Thank you, Mr. Rubin. I would just like to explain to you and your listeners that the delay, if there was such delay, in making the decision was only because we respect the law and had to fulfill the legal deadlines. This was the only reason why the pertinent decision was only made today. This was the sole and only reason; there was absolutely no other reason, Mr. Rubin.

[Rubin] Thank you very much; thank you for your explanation, which we really did not expect. All we wanted is to hear the end of this story. We are truly happy and relieved. Everything will continue to develop normally. The Colorados' request is not applicable.

Auxiliary Bishop Says Church Not To Accept 'Fraudulent' Election Results

PY0405222993 Asuncion ULTIMA HORA in Spanish 4 May 93 p 3

[Text] Asuncion Auxiliary Bishop Claudio Gimenez said this morning: "Neither the church nor the Paraguayan people will accept fraudulent results in the 9 May general elections and will not approve a coup by the Armed Forces if the officialist party falls from power." He thus reasserted the commitment of the Catholic Church with the citizenry's feeling and desire to live in democracy.

Msgr. Gimenez said that the statement by [1st Corps Commander] General Lino Oviedo "causes concern to both the church and to most of the people. It also caused concern at internationally because his statement could foretold something that may come true. Logically, this radical position worries all those who want this process to take place in complete freedom and to conclude according to the wishes of the majority of the people."

Msgr. Gimenez asked for clean elections and pointed out the positive participation and enthusiasm of the people "despite some doubts about the result, given the statements made by certain high-ranking military officers."

The auxiliary bishop said he knows nothing about a possible coup, adding that the church will in no way support such a thing. He stated: "No one looks favorably on such a possibility. The people definitively have higher objectives and consider it a thing of the past." Msgr. Gimenez recommended good sense and tolerance to the people who will vote on 9 May. "In order not to tarnish the people's happiness we recommend serenity and equanimity, an equilibrium based on respect for other groups that have a different way of thinking."

Presidential Candidates Assess U.S. Envoy's Attitude

PY0405191793

[Editorial Report] Asuncion ABC COLOR in Spanish on 4 May carries, on page 4, a 400-word unattributed report on a panel discussion between presidential candidates Juan Carlos Wasmosy of the Colorado Party, Guillermo Caballero Vargas of the National Encounter, and vice presidential candidate Juan Manuel Benitez Florentin, of the Authentic Radical Liberal Party, PLRA, on 3 May at the studios of Radio Nanduti.

The article says that the candidates were asked if the U.S. Ambassador's "permanent participation in national life amounts to intervention in our country's domestic affairs." The article quotes Guillermo Caballero Vargas as replying: "The defense of democracy binds us all because international solidarity expresses itself not only through the presence of international observers, on the eve of the national elections, but also through the concern expressed by ambassadors accredited to our government, in this case, specifically by Ambassador Jon Glassman."

The article quotes Caballero Vargas as saying: "Consequently, all expressions of international solidarity with Paraguay are welcome and cannot be regarded as intervention in the domestic affairs of a country. When democracy is at stake, it should be defended by everyone."

The report then quotes Benitez Florentin as saying: "It is very positive that the United States, which is an important country, European countries, and Mercosur [Common Market of the South] countries show their interest in the Paraguayan transition process."

The report quotes Wasmosy as saying: "We do not need a foreign police chief." It then quotes him as saying: "If some one wants to cooperate in the consolidation of this democratic process, pointing out errors or human rights violations—and I believe this is Glassman's intention—that is fine. But if one says: 'Beware, gentlemen; if you do this, that may happen to you,' well, I believe we do not need baby sitters. We are a small yet sovereign country, and it is up to us to consolidate this democratic process."

Presidential Candidates Cited on Armed Forces' Position

PY0405184793

[Editorial Report] Asuncion ULTIMA HORA in Spanish on 3 May carries, on page 10, a 700-word unattributed report on a panel discussion between presidential candidates Juan Carlos Wasmosy of the Colorado Party, Guillermo Caballero Vargas of the National Encounter Alliance, and vice presidential candidate Juan Manuel Benitez Florentin of the Authentic Radical Liberal Party, PLRA, on 3 May at the studios of Radio Nanduti.

The article says: "Wasmosy promised that he, his running mate Angel R. Seifart, the Colorado Party, and the Armed Forces will respect the result of the elections on 9 May." It continues: "Caballero Vargas noted that, despite the wishes of some military groups, he is convinced that the commanders will respect the results of the elections and that the transfer of power will be made with the support of the Armed Forces and the police."

The article adds: "PLRA vice president candidate Juan Manuel Benitez Florentin said that the Armed Forces are a factor of power in Paraguay, and that pressure will be exerted whenever military matters are under consideration. The essential point is to have a government strongly backed by civilians. The political parties must agree to engage in a dialogue with the Armed Forces."

Concerning the attitude of 1st Corps Commander General Lino Oviedo, the article quotes Caballero Vargas as saying that he should "submit his request for retirement," while Wasmosy "defended Oviedo, noting that his statements were made in private and that military men are not second-class citizens."

Presidential Candidate Laino Meets Venezuelan President

PY0405201893 Asuncion ABC COLOR in Spanish 4 May 93 p 8

[Excerpt] Domingo Laino, presidential candidate for the Authentic Radical Liberal Party, met yesterday with Venezuelan President Carlos Andres Perez. The meeting was held in Miraflores Palace in Caracas.

The issues discussed included problems related to Latin American integration, trade, and the future of democracy in the continent.

President Perez expressed interest in the Paraguayan political process and conveyed to Laino his hope and trust that the upcoming Paraguayan elections will be held in total normality and openness. He also expressed his desire that the Paraguayan Government fulfill its commitment to the people and the international community.

Perez also wished Laino success in the 9 May elections. He added that he would like to greet Laino on 10 May as the new president-elect of Paraguay. [passage omitted]

National Encounter Gains Peasant Movement Support

PY0405203493 Asuncion ABC COLOR in Spanish 4 May 93 p 10

[Text] The Democratic and Social Coalition [CDS], through its top leaders—with the exception of some representatives of the Christian Democratic Party—have joined the National Encounter Alliance [EN] for the presidential elections. Ricardo Canese, who was the CDS presidential hopeful, noted that they have decided to support the presidential hopeful who can defeat [Colorado Party presidential candidate] Wasmosy.

The representatives of the departmental branches of the CDS—the grass root peasant organizations—stated that they support the decision to vote for democracy because they believe the fatherland is demanding from everyone a responsible attitude and a decision to consolidate on 9 May "the possibility that democracy will win after 50 years of fraudulent obscurantism."

The political spectrum of the opposition thus remains as follows: on one hand the Authentic Radical Liberal Party is supported by Christian Democratic Party leaders Alfonso Resck and Jorge Dario Cristaldo and Febrerista Party leader Adolfo Ferreiro. On the other hand, the EN is supported by the following peasant organizations: The National Peasant Coordinating Board [Coordinadora Campesina Nacional], Paraguayan Peasant Movement, labor union leaders of the United Labor Federation and the National Workers Federation, and all the CDS candidates of the various constituencies.

Retired Officers Call For Removal of General Oviedo

PY0405204193 Asuncion ABC COLOR in Spanish 4 May 93 p 13

[Text] The Military Institutionalist Movement (MIM) [retired officers association] has requested the removal of General Lino Cesar Oviedo for the "virtual uprising" he conducted against the constitutional order. Oviedo demanded a cogovernment between the Colorado Party and the Armed Forces. The MIM request was made in a document issued and signed by its top officials.

The public document states that at a crucial moment of great civic awareness "a virtual uprising by a high-ranking military officer goes against the unchangeable constitutional order, coersely offending the inalienable right of the people to be the absolute masters of their destiny. The seriousness of the recidivistic crime imposes as an urgent measure, if there is still a principle of authority, the removal of the impulsive infringer."

The document adds that the participation of the Armed Forces in political party activities and their overwhelming supremacy in matters which are not of their competence seriously harms the institutional order of the republic, an oppressive abnormality which must be overcome.

The statement explains that the Armed Forces, as a fundamental organization of the state, is an instrument of national and international policy and must be adjusted and rationally included in the nation's organizational body. It adds that its organization, distribution, and employment is a faculty of the president of the Republic, who is its commander in chief.

The document says: "The unrestricted acceptance of constitutional and legal dispositions benefit the military personnel because the stability and future of the career has the support and the guarantee offered by the law within a state of law, not a state of uncertainty expressed through delirious outbursts of messianic superiors who seek to tutor their fellow citizens and custodians of their subordinates who are doomed to become prisoners of conscience."

It adds: "Having lost their sense of objectives, as evidenced by high-ranking military officers, in this controversial and historic moment, the MIM reaffirms the ethical and moral principles that have structured our historical Armed Forces in their altruistic vocation of service and unbribable defense of the patrimonial values of the Republic."

The MIM statement is signed by Infantry Major Bartolome Araujo, President; Cavalry Captain Federico Figueredo, vice-president; 1st. Lieutenant Cesar Specini; 1st. Lieutenant Cirilo Acosta Mena, and Lieutenant Jose Ibarrola.

PLRA Senator 'Concerned' by Newest Coup Rumors

PY0405130293 Asuncion ULTIMA HORA in Spanish 3 May 93 p 4

[Text] PLRA [Authentic Radical Liberal Party] Senator Nelson Garcia Ramirez said that he is very concerned about the new batch of rumors that are circulating regarding an eventual coup d'etat that will take place if the Colorado Party loses the 9 May elections, and he points to General Lino Cesar Oviedo as the main instigator.

Garcia Ramirez declined to reveal his sources, "so that no one will be implicated," according to his own remarks. He also said that "these rumors have a very sound basis not only because of the series of meetings that Oviedo is holding with the Colorado Party leadership, but also because of the ostentatious movements that are presumably occurring in some military units."

"We are really concerned within the party regarding the campaign being carried out by Oviedo in all the military units of the Armed Forces' three services, and we have learned that he has met at Air Force headquarters with all the high-ranking officers to urge them to vote for the official Wasmosy-Seifart ticket, and that he also ordered them to place brochures for that ticket in all the units," he added.

He said that "we also have learned that in some of those units some officers have expressed their distaste with being implicated in this political chicanery, and that they have been threatened with being fired by the unit commanders."

"In addition, and always according to my sources, Oviedo was heard to stress that under no circumstances will he allow the opposition to win, and that if it is necessary to prevent the win, he presumably has his tanks prepared if matters go against the government party," Garcia Ramirez continued.

The PLRA congressman said that "we were told that on 27 April the Brazilian authorities stopped a large cargo of Brazilian bombs that are used by the Brazilian Xavante planes. These fighter planes are presumably totally unarmed because all the bombs have been taken to Cavalry headquarters. A similar transfer presumably occurred with the Air Force's M-16 carbines so they cannot be used in a coup in case the Colorado Party loses."

"If these reports are true, it is evident that Oviedo presumably wants to become the absolute manager of this election process," Garcia Ramirez concluded.

German Ambassador Conditions Continuation of Aid

PY0405235993 Asuncion ABC COLOR in Spanish 4 May 93 p 9

[Excerpts] The German Federal Republic is willing to continue to provide aid to our country, provided the next Paraguayan Government is elected in free, clean, and democratic elections. This position was clearly outlined yesterday by German Ambassador Heinz Schneppen, in a speech he delivered at the Foreign Ministry during the signing of a cooperation agreements.

Three technical cooperation agreements were signed to support several projects in our country, especially in agriculture.

Schneppen said that over the past four years, Paraguay and Germany have signed several agreements. He said: "Thus proving the spirit and extent of our cooperation." He emphasized that those agreements have enhanced the good relations that have traditionally existed between the two countries.

Free and Clean Elections

The ambassador clearly stated, however, that continuation of German cooperation in our country is conditioned to the next government being elected in free, clean, and democratic elections.

He said: "The German Federal Republic is willing to continue to cooperate with Paraguayan Governments elected by the Paraguayan people in free, clean, and democratic elections. I hope the Paraguayan people complete the transition to democracy, which is the basis for our cooperation." [passage omitted]

Thirteen Projects

The ambassador emphasized that "Paraguayans and Germans are cooperating in 13 projects in various areas."

The agreements signed at the Foreign Ministry yesterday will permit continuation of the work at the experimental agricultural station in the Chaco, the continuation of cooperation with the Municipal Development Institute, and the implementation of a new "soil conservation" project.

Police Have No Information on Shiite 'Terrorists' Trained in Paraguay.

PY0405203093 Asuncion NOTICIAS in Spanish 4 May 93 p 49

[Text] The Asuncion Police have no information that the Shiite Islamic terrorists who perpetrated an attack on the Israeli Embassy [in Buenos Aires, Argentina] last year were trained in Paraguay.

Police Principal Superintendent Santiago Flores Torres, chief of the Investigative Police, reported that Argentine police have not requested an investigation into the alleged presence in Paraguay of Lebanese terrorists prior to the attack on the Israeli Embassy in Buenos Aires in 1992.

Flores Torres said: "It is true that we have several vulnerable points along our border, such as Ciudad del Este and Pedro Juan Caballero, but any training activity will not go undetected by citizens who, fortunately, are cooperative with the police."

An EFE news agency report datelined Washington, D.C., reported on 1 May that the Shiite terrorists who perpetrated the attack on the Israeli Embassy were trained in countries bordering Argentina. Paraguay was one of the countries named in the report.

Peru

CCD Approves Article No. 1 on Tax, Budgetary Systems

PY0505031993 Lima EL PERUANO in Spanish 27 Apr 93 p A3

[Text] The Constitutional Committee of the CCD [Democratic Constituent Congress] on 26 April approved Article No. 1 of the chapter, which pertains to the tax and budgetary systems of the new constitution. Article No. 1 states that taxation cannot provide for personal, geographical, sectorial, or any other type of privilege.

The difference between this article and Article No. 138 of the 1979 Constitution, which empowered regional and local governments to create, modify, and abolish taxes or to waive them in accordance with the law, resides in that the Constitutional Committee has sanctioned the inadmissibility of tax waivers with the exception of those that are expressly contained in the constitution and in international agreements.

This occurred during the debate on the proposal to modify the tax system that was submitted by the Budget Committee headed by Congressman Carlos Blanco Oropeza.

It is also established that it is the duty of all to contribute toward maintaining public expenditure in accordance with the economic realities, through a tax system "based on the principles of the law of reserves, equality, and of progressiveness when exceptionally appropriate."

The article makes it clear that the tax system can in no way have a confiscatory scope.

The Constitutional Committee, which is headed by Carlos Torres y Torres Lara, has also approved the second article, which empowers local governments to create, modify, and abolish contributions, local property taxes, and duties, or waive them within their jurisdictions with the limitations dictated by law.

The proposal that was approved also stipulates that the taxes are created, modified, or abrogated exclusively through laws approved by Congress, with the exception of tariffs and rates that are regulated through supreme decrees.

The approved article states that "decrees considered to be of an urgent nature cannot contain matters pertaining to the tax system."

It is also established that the economic and financial administration of the state is ruled by the budget approved annually by Congress.

The sixth article approved during the morning session stipulates that construction work effected and supply materials acquired with public funding or resources must be so effected or acquired through contracting and public bidding.

It also establishes that there must be public bidding for the contracting for services and projects that are contained in the budget, with their appropriate amounts and importance.

CLAE President Comments on Superintendency Requests

PA0405185293 Lima Panamericana Television Network in Spanish 0200 GMT 3 May 93

[Telephone interview with Carlos Manrique, president of the Latin American Business Advisory Center, CLAE, by station commentator Guido Lombardi—live]

[Text] [Lombardi] As we announced, we have telephone communications with Mr. Carlos Manrique, president of the Latin American Business Advisory Center [CLAE]. Good evening Mr. Manrique.

[Manrique] Good evening Mr. Lombardi.

[Lombardi] We would have liked to have you here on "Panorama" in person, but we are aware that you have a previous business appointment. We hope that it is to compile the information the Superintendency of Banks is requesting. We spoke with Luis Cortavarria, the superintendent of banks, who advised us that you did not present the information at the meeting on the afternoon of 2 May at 1600, as you had offered. Why was that, sir?
[Manrique] The superintendent has created an absurd situation. He has asked us to explain something, but he will not allow us access to the source of the information, and he refuses us adequate peace regarding the legal procedures we have already begun. We presented our case according to the law. On 1 May it was a holiday and 2 May is not a working day, so what time has the superintendent given us to get the information out of the offices that have been closed to us.

Nevertheless, we have made progress and we will continue to do so. This is why I have not had the great honor of appearing on your highly rated program, Mr. Lombardi. I hope you will be kind enough to invite me again some other time, but I did want to disclose the reasons why I could not present a more complete report, out of respect for the superintendent and the Congress.

[Lombardi] We also hope to speak with you on a later date, Mr. Manrique, but we hope CLAE's situation will be cleared up before the next edition of "Panorama". I believe you should feel committed, given the loyalty and affection CLAE investors have shown. Do you think you will be able to meet the superintendency's requirements, thus bringing peace of mind to the homes of those Peruvians who have invested in your corporations?
[Manrique] I am satisfied inasmuch as we did not promote this unease. It is the superintendent who has made what would appear to be a very recent request. More than 20 days ago, for example, we presented our 1992 financial statement; our official balance as of December 1992. Now we are working on his current requests and we have promised to present more specific data, within the limitations of not having access to direct information sources.

This is really becoming a fallacy. Regarding the $200 million he says we have—and asks where these $200 million are—I would like to say that, first we have cash, then there are industries, installations, machinery, and there is a technological institute with buildings, and computer and language laboratories. Then there is the commercial aspect. There is imported merchandise on its way and there is merchandise for export; we have stock market investments; there are stores; we have the Chozica Resort Hotel; and tourism packages.

[Lombardi] Does this mean the CLAE investors can rest absolutely assured, despite the turmoil the intervention may have caused, that their money is safe?
[Manrique] That is right, Mr. Lombardi, as long as I preside over CLAE, along with the other directors and officials, and as long as there is no more unrest such at that promoted by the superintendency—as EL COMERCIO has said in its editorial: it is reproachable that the superintendency has acted in such a way; so suddenly and with such a display of force and propaganda, creating a dangerous atmosphere of mistrust—CLAE customers can be certain that their money is safe.

[Lombardi] Could one of the options to solve the problem be the possibility of exchanging the client's debit notes for CLAE stock, thus turning CLAE investors into direct partners?
[Manrique] That is a brilliant and very important idea. We are sure we can agree with that, because our interest at this time and all the time, is the benefit of our CLAE customers. Let me note that there are 150,000 in Lima and 150,000 in the Northern Mutual Branch, for a total of about 300,000 clients waiting for a solution to this problem the superintendent has caused. We are also working with several congressmen, in the hope of creating a new organization, which would be called the Investment Fund Administration Company and could incorporate the idea you have suggested.

[Lombardi] Is there a possibility that it can formally become a finance company? Will the idea of turning the investors into shareholders be at odds with the possibility of formally becoming a finance company and operating under the same restrictions and also guarantees of any other financing institution?
[Manrique] It's an excellent idea. We can combine these two elements, or we could find a solution in either direction, but we must find a solution as soon as possible. I think that with the intervention of distinguished lawmakers we are going to get a new stance, so that calm can return to thousands of CLAE members.

[Lombardi] What lawmakers do you mean?
[Manrique] We have held talks in the presence of the superintendent with Gamarra and Velasquez. We have held talks with lawmakers from other parties, such as Paredes. There are other names I cannot mention right now, but lawmakers from many parties want the CLAE to continue working for the good of the country.

[Lombardi] When we told Superintendent Cortavarria you could not provide the information requested because you had no contact with CLAE board members, Cortavarria replied that the board members did not have that information since it can be found in those companies where you claim you have invested the money, companies that have not been seized or closed. Why do you not go to those companies to get the information?
[Manrique] Some of them are closed, such as the CLAE Shop Center, which is located between San Luis and Aviacion Avenues and is, unfortunately, losing sales and perishable products. We are gathering information in those companies where it is feasible. We are attaching that information to the few documents we can have outside the stores. The central accounting is being conducted at the main office located on Arequipa Avenue.

[Lombardi] Is that where $10 million in cash are deposited?

[Manrique] Mr. Lombardi, the money is in several places. The minute we can do the auditing, and we have a little more money, it would be an honor for us to have distinguished newsmen accompanying us to verify this. [sentence as heard]

[Lombardi] The question CLAE investors, as well as some government authorities and newsmen, are asking is where are those $200 million that were invested? Has the CLAE functioned at any time as a parallel bank and made loans for farming or the development of companies of the underground economy [sector informal]?

[Manrique] Some have tried to spread rumors, and we have heard unfair remarks. A parallel bank would receive loans and make loans to third parties. We are not a parallel bank, we are not outside the law, and we are not financial brokers—the dean of the Bar Association said it. We receive loans to use ourselves for our own companies. Where is the money? Although that is not the problem, since the problem would be where are the calm, security, and confidence CLAE investors had until Wednesday, let us talk about the money. As I said, the money is partly in cash and partly in the industries in Tumbes, Trujillo, Lima, and Puerto Maldonado, because we are constantly working for the decentralization of the country and the upgrading of the products to be exported.

[Lombardi] Some people say, and I am submitting this as a hypothesis, that the CLAE was able to pay its investors so long as it was a smaller company and there were fewer investors. In the wake of the hyperinflation in 1988 and 1989, the number of people who invested in the CLAE grew excessively, something that created a pyramid effect. How do you feel about it?

[Manrique] The people saying that are going by a rather weak premise. Why? Because the CLAE continues to perform its functions, as it did in 1988, 1989, 1990, 1991, 1992, and now. As for the pyramid effect, I recall a few years back a bank was accused of doing this, namely, that it received loans and paid its investors with these loans. That is not applicable to the CLAE.

[Lombardi] How many CLAE investors have joined it in the past two years, for example, out of 170,000 families in it. There are conflicting figures: 80,000 investors, 160,000 families. What is the exact figure? How many have joined in the past two years?

[Manrique] I would have to check with reliable information from our payrolls.

[Lombardi] How about an approximate figure?

[Manrique] It is hard for me to do that without data. The information that we give you must be very reliable, since your program deserves it.

[Lombardi] I thank you, Mr. Manrique for being so kind to call us. Panamericana will continue to report with its customary objectivity on the CLAE seizure, for the basic purpose of calming investors and seeking a solution to the situation that has arisen. Thank you.

[Manrique] I thank you for this opportunity to be on your program. I want to say that on Labor Day we asked that all the hundreds of CLAE employees not be left without a job. On Mothers' Day, which is approaching, let us think of all those mothers who are entitled to enjoy the money they earned through their effort and toil. Thank you.

Commentator on 'Impertinent' U.S. Communique, Policy

PY0505014993 Lima EXPRESO in Spanish 27 Apr 93 p A2

[From the "Manuel D'Ornellas" column: "U.S. Goings On"]

[Text] Washington—If Alexander Watson had already been in office as assistant secretary of state for inter-American affairs, he probably would not have issued the impertinent communique on the "demonstration of force" by the Peruvian Army that was handed here last week to the media.

Watson is a career diplomat who was U.S. ambassador to Peru during the difficult times of Alan Garcia, and Bush had named him last year to the same post in Brazil. Problems in Congress delayed the approval of this appointment (together with another 30), and when Bill Clinton arrived at the White House Watson ended up being named helmsman for hemispheric relations.

Mario Baeza, a black Cuban and the first candidate for the post, was virtually vetoed by his anti-Castro fellow countrymen from Miami, who accused him of being complacent about Fidel's tyranny. He lost the post and Watson has thus occupied the post.

But the U.S. Congress is currently delaying the approval of his appointment, and therefore Bernard Aronson, a Democrat who worked for George Bush's administration, remains in the post. According to tongue-wagging tales, he wanted Clinton to keep him in the post.

Because he failed to get his way, Aronson is now trying to hand over to his successor as many loose ends as possible that had previously been well sewn up. For example, with Peruvian-U.S. relations subject to what is to us unacceptably close monitoring, we also cannot accept that Aronson, a third-level official with his time in his post almost up, can permit himself to call President Fujimori by telephone to demand an explanation for the obviously dim-witted actions by the commander in chief of the Peruvian Army.

Here in Washington the people who know about the matter—luckily only a few—believe that this incident would not have occurred if Alec Watson had been in the post instead of the firmly ensconced Aronson. Of course, the U.S. Government's protest regarding the outrage against Congress by General Hermoza Rios would have

come anyway, and the complaint for such an unacceptable and dangerous procedure would have arrived in Lima from Washington.

But surely this should not have been done through a press communique, which in the end was not even taken up by anyone in this city, but only through the traditionally discreet diplomatic channels which are in the end much more efficient.

In conclusion, we hope that soon, very soon, Aronson will be effectively relieved by Watson, and that a stage of less politicized relations will begin between his and our countries, along with a Peruvian military which might in truth be more aware of the external repercussions to its bad moods.

Venezuela

DIM Said To Dismantle 'Plot' To Assassinate Perez

PA0405183793 Madrid EFE in Spanish 1508 GMT 4 May 93

[Text] Caracas, 4 May (EFE)—EL DIARIO DE CARACAS carried a front page report on Tuesday, 4 May, on a plan to assassinate President Carlos Andres Perez that was dismantled by the Directorate of Military Intelligence (DIM).

According to the newspaper, Rigoberto Hernandez, Caracas' third permanent military judge, began an inquiry on the alleged terrorist plot against President Perez.

The report also stated that eight unidentified persons were detained 12 days ago when "the DIM dismantled the plan to assassinate the president."

EL DIARIO DE CARACAS stated the military courts hold a file with compromising documents on several Armed Forces officers, "wealthy civilians," and members of ultra-left organizations.

The organizations allegedly involved are: Third Path, led by former guerrilla Douglas Bravo, New Man [Hombre Nuevo], which has no identifiable leadership, and Red Flag, a Maoist group involved in guerrilla activities in the 1980's.

The newspaper added that these organizations "drew the plan to conduct a guerrilla operation against Perez and implicated an unnamed lawyer, who is defending persons involved in the 27 November coup attempt.

The report indicated that the DIM conducted raids in which it confiscated photographs, maps of several states of the country, manuscripts, credentials, blueprints, and a letter addressed to Commander Hugo Chavez, leader of the 4 February 1992 coup attempt, the content of which was not divulged.

Defense Minister Denies 'Attack'

PA0505010293 Caracas Venezolana de Television Network in Spanish 2350 GMT 4 May 93

[Text] Reports that the head of state was attacked are false. Defense Minister Ivan Dario Jimenez Sanchez denied the reports at Miraflores Palace.

He said documents were submitted to Judge Hernandez Armas in order to begin an investigation on a young civilian, who calls himself Commander Lobo and who had reportedly participated in the 27 November incidents and was being pursued since then. Eight other persons were arrested with him, all of them civilians.

[Begin recording] [Jimenez] A military officer is not involved. Investigations were conducted due to those incidents. As for the attack on the president, I do not know where that report originated.

[Reporter] Are you talking about the 27 November incidents?
[Jimenez] I am talking about the civilian's actions on 27 November and other actions carried out after 27 November.

[Reporter] Do you deny [words indistinct]?
[Jimenez] I do not know about that.

[Reporter] It is being said high-ranking military officers were involved, including rich people.
[Jimenez] There are neither high-ranking officers, nor rich people, involved.

[Reporter] [Words indistinct] on 27 November?
[Jimenez] I do not know anything about [words indistinct] on 27 November.

[Reporter] Do you deny the alleged attack against the president?
[Jimenez] I deny the alleged attack against the president because that was not what happened at the opening of the court investigation. [end recording]

Interior Minister Comments

PA0405222393 Caracas Radio Rumbos Network in Spanish 2138 GMT 4 May 93

[Text] Interior Minister Jesus Carmona said a simple court investigation regarding an alleged terrorist plan to kill the president of the Republic, which was reportedly dismantled by the Directorate of Military Intelligence, was initiated on orders from the defense minister. This does not mean, however, that the country's situation is abnormal.

[Begin recording] [Carmona] I am not saying there has been an attack. I am saying that a military court investigation has been initiated regarding conspiracy activities conducted by a citizen, who has been arrested with another citizen following the investigations. I am not confirming an attack against the president.

[Reporter] What did they say?

[Carmona] I am saying I cannot confirm there has been a report of this kind.

[Reporter] [question indistinct]
[Carmona] Absolutely under control.

[Reporter] Is the democratic system more solid?
[Carmona] Absolutely, proof of this is his [not further identified] presence this morning, 4 May, at the Cooperation Armed Forces [Fuerzas Armadas de Cooperacion], where a ceremony to reaffirm our democracy was held. Proof of this are the activities conducted by the various presidential candidates, which show that we are moving toward the December electoral process. [end recording]

We have just heard Interior Minister Jesus Carmona, who said that on the occasion of the 110th birthday of General Eleazar Lopez Contreras, the founder of the National Guard, Venezuelans can proudly say that the foundations of the country's democratic system are solid.

Coup Leader Denies Links With Argentine 'Carapintada Movement'

PA0405193893 Madrid EFE in Spanish 1531 GMT 3 May 93

[Text] Caracas, 3 May (EFE)—Lieutenant Colonel Hugo Chavez, leader of the aborted 4 February 1992 coup, denied on 3 May having any links with the Argentine "Carapintada Movement."

In a letter sent to the media from the jail where he is incarcerated, Chavez said the Bolivarian Revolutionary Movement-200 (MBR-200) he heads has no connection with the "Carapintadas" of Argentine Colonel Mohamed Seineldin.

According to reports from Caracas published in Buenos Aires by the daily CLARIN, Seineldin said Hugo Chavez and U.S. businessman Lyndon Larouche are linked to the "Carapintada Movement."

Chavez said those reports are part of a campaign promoted by President Carlos Andres Perez' administration to "blur" the meaning of the 4 February action and "discredit" the men who headed the foiled coup.

Chavez said the MBR-200 is a movement that "falls within the concept of Latin American struggles for our people's liberty."

He stressed that the MBR-200 is inspired by the ideas of liberator Simon Bolivar, his teacher Simon Rodriguez, Venezuelan forefather Ezequiel Zamora, Mexican General Emiliano Zapata, Cuban independence apostle Jose Marti, and Nicaraguan Gen. Augusto Cesar Sandino.

The rebel commander noted that the MBR-200 does not support any of the presidential candidates.

Energy Minister Comments on Gas Exploitation Programs

PA0205211093 Caracas Venezolana de Television Network in Spanish 2350 GMT 29 Apr 93

[Text] Venezuelan Energy and Mines Minister Alirio Parra has presented the final document on the Christopher Columbus management contract to the Senate Mines Commission president [not further identified]. Alirio Parra explained that the document was the result of two years of joint work between the bicameral commission and the negotiating firms. He added that the document will allow business groups in Venezuela, the United States, UK, Netherlands, and Japan to invest $5.6 billion in the exploitation of Venezuelan gas deposits. The minister revealed that the project has been increased to 900 cubic millions of oil instead of only 750 cubic millions. It was also reported that the gas plants would begin operation by the end of this decade if the project is approved by Congress.

[Begin Parra recording] We are talking about an enormous amount: $5.6 billion. The amount is so high that it surpasses everything we have ever done. We are talking about huge investments that will have an important impact on the national economy. The investments will prompt economic expansion in the eastern part of the country, progress and economic development in the Sucre state, and increased activities for consulting firms, such as engineering, construction, transportation, and property and services, throughout the country. It will have a very strong and positive impact and I believe we should highlight that fact. [end recording]